



The Promise of Health and Happiness

Quality From Farm To Table

Corporate Presentation

Q4 - FY25



Table of Contents

1

Q4 & FY25 Highlights

2

Business Overview

3

Strategic Updates

4

Annexure





Q4 & FY25

Financial Highlights



Q4FY25: Overview



- ✓ Procurement volumes peaked to 1.76 MLPD (11%) and procurement prices increased to Rs 42.9/L (3.1% higher), however FY25, average prices declined 3.7% YoY to INR 41.7/litre, driven by improved sourcing efficiencies and favorable flush season availability
- ✓ Milk Sales volumes peaked to 1.16 million liters per day (MLPD) up 4.5% YoY, The average selling price increased to ₹55.6/litre from ₹54.8/litre last year, reflecting stable market positioning and pricing strength.
- ✓ Value-Added Products (VAP) segment, achieving a 19.3% increase in revenues, reaching Rs. 3,362 million. The contribution of VAP to total revenue rose to 32.5%, up from 30.1% in Q4 FY24.
- ✓ When including consumer packs of Ghee and Butter, VAP revenue reached Rs. 4,198 million, up 19% YoY. This segment now contributes 40.6% to total revenue in Q4 FY25, compared to 37.7% in Q4 FY24.



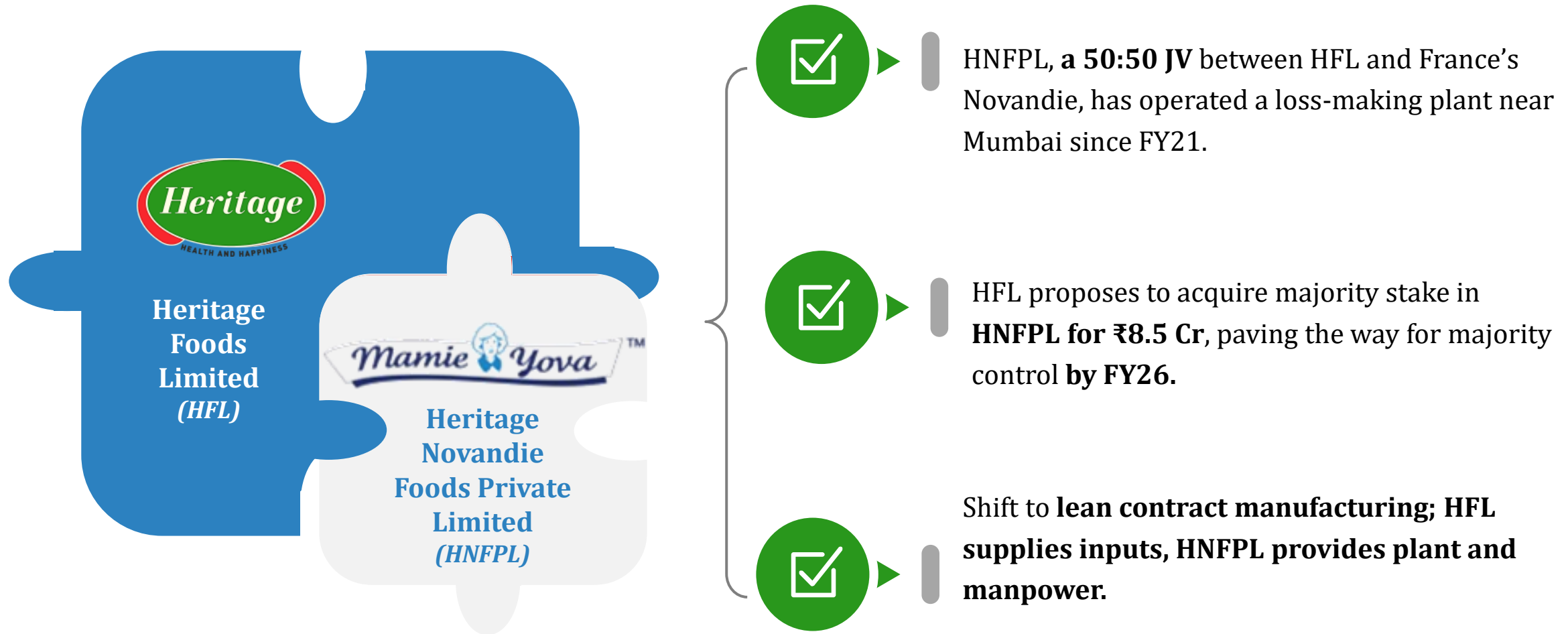
Mr. A V Girija Kumar,
Chairperson –
HERITAGE FOODS
LIMITED



We're proud to report record-breaking performance in FY25, with both quarterly and annual revenue surpassing INR 41,346 million — our highest ever. Our core revenue growth (Excluding the Bulk B2B) held strong at over 10% every quarter, reaffirming the strength of our portfolio and strategic execution. Net profit jumped 77% YoY to INR 1,883 million, propelled by a 2.3% rise in Value-Added Products (contributing 32% of Total Revenue) and favorable input costs, a clear indicator of enhanced operating leverage. With continued momentum in brand equity, margin expansion, and omni-channel penetration, we are entering FY26 from a position of strength and aim to sustain the growth momentum.



Control, Leaner Model: Novandie's Next Chapter with Heritage



Churning Growth: Ice Cream Plant Construction in Progress



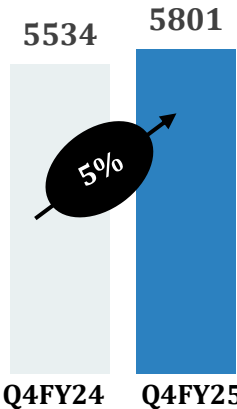
Q4 & FY25 Consolidated Financial Performance



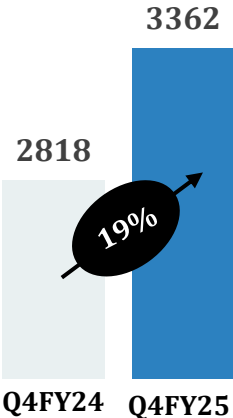
(Rs. In Mn.)

Q4FY25

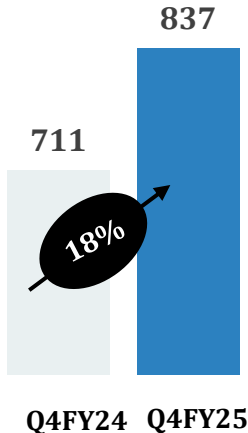
Milk Revenue



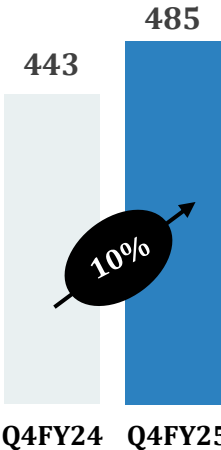
VAP Revenue



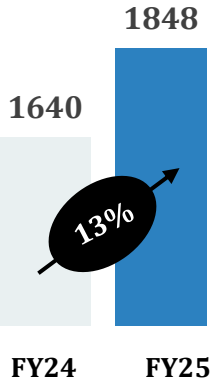
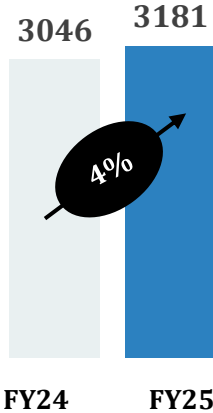
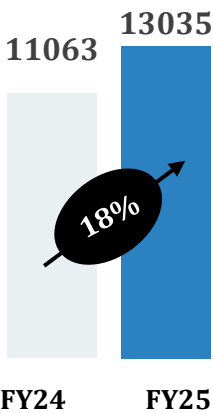
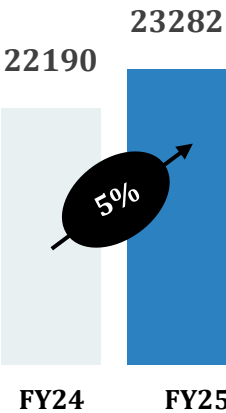
Fat Products



Others*



FY25



* Others includes Feed and SMP

Q4 & FY25 Consolidated Financial Performance

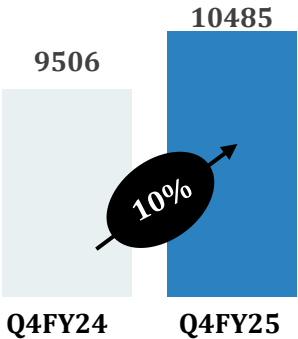


(Rs. In Mn.)

Q4FY25

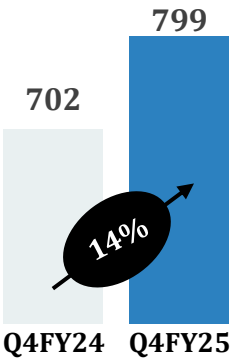
Revenue

Margins



EBITDA

7.4% 7.6%



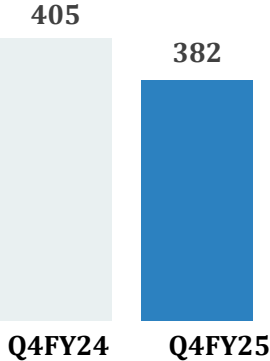
PBT

5.8% 5.2%



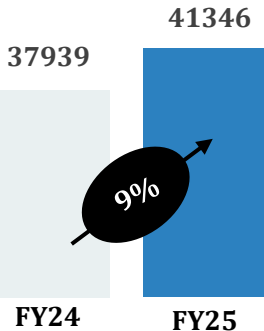
PAT

4.3% 3.6%

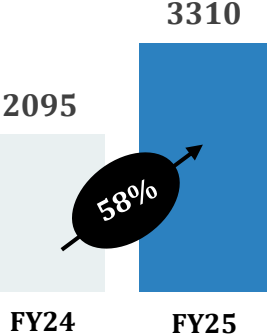


FY25

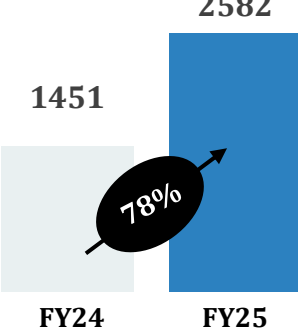
Margins



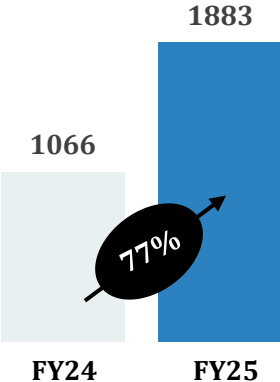
5.5% 8.0%



3.8% 6.2%



2.8% 4.6%



Consolidated Financial Performance



Particulars (INR Mn)	FY25	FY24	Y-o-Y (%)	Q4FY25	Q4FY24	Y-o-Y (%)
Operating Income	41,346	37,939	9%	10,485	9,506	10%
Expenses	38,036	35,844	6%	9,686	8,803	10%
EBITDA	3,310	2,095	58%	799	702	14%
EBITDA Margins (%)	8.0%	5.5%	248 bps	7.6%	7.4%	23 bps
Depreciation	696	608	14%	178	157	14%
Finance Cost	154	91	70%	42	26	59%
Other Income	279	120	133%	65	45	45%
Share of Profit/(Loss) of an associate & Joint Venture	(69)	(65)	-	(15)	(16)	(7)%
Exceptional Item	87	-	-	87	-	-
Profit Before Tax	2,582	1,451	78%	542	548	(1)%
Tax	700	385	82%	160	143	12%
Profit After Tax	1,883	1,066	77%	382	405	(6)%
PAT Margins (%)	4.6%	2.8%	175 bps	3.6%	4.3%	-62 bps
Other Comprehensive Income	(13)	(11)	21%	(5)	(8)	-
Total Comprehensive Income	1,870	1,055	77%	377	397	(5)%
EPS Diluted (INR)	20.3	11.5	77%	4.1	4.4	(6)%

Q4 Key Marketing Campaigns



New Product Launches

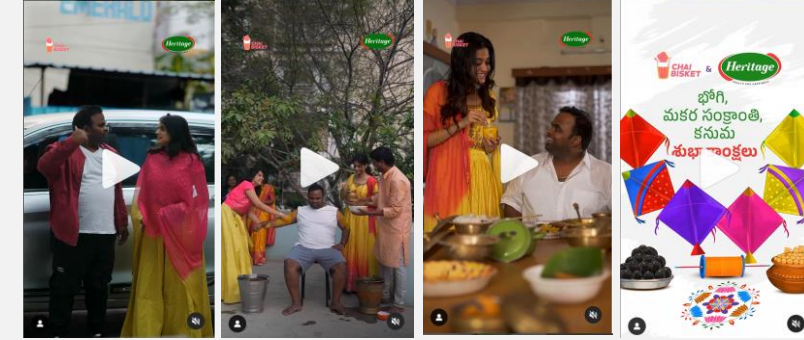
Targeting an all rounder milk proposition, **SARVGUN** milk is a unique blend which is suitable for every occasion



Truly Good Gawa ghee – Brown Ghee is a unique product for Bengal market with the proposition of “as good as mother’s love”

Festivals and Events

Heritage x ChaiBisket
- Brought out a unique cultural nuance of Telugu Audience to celebrate biggest Telugu festival of sankranti



Heritage presents **Kukdooku Children's festival**
- A unique association to celebrate childhood and role of Heritage Pure milk



Heritage Curd IMC – IMC campaign for the summer started in March with dominating SOV across AP/TG/KA/TN





Business Overview

Heritage: Delivering across the Dairy Value Chain

Operating as a large FMCG company



Winning Model

- ❑ Deep relation with 300,000+ farmers, built on immutable principles.
- ❑ Unique, federated supply chain model that gives a strong advantage of 'freshness'.
- ❑ Top brand in Southern metro cities, on brand recall and loyalty*
- ❑ Strong professional leadership that thrive in this 'Great Place to work'.

*Brand Health Track – internal study



Operational Excellence

3 Decades of Operations

2.5 MLPD Chilling capacity

2.83 MLPD
Processing Capacity

18 Plants closer to the consumer

10 Mn consumers serviced daily

*As on FY25



Business Metrics

Revenue CAGR 16% (FY22-FY25)

As on FY25:

25.0% Gross margin

8.0% EBITDA Margin

0.18 Net Debt/Equity

24.3% ROCE



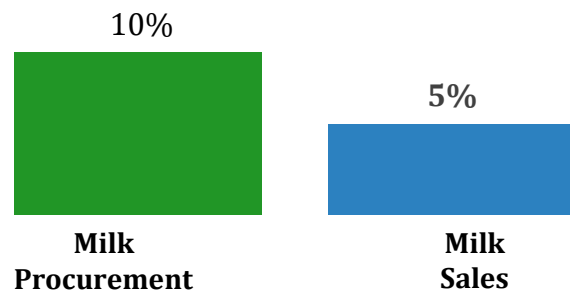
Balanced Full Stack Portfolio



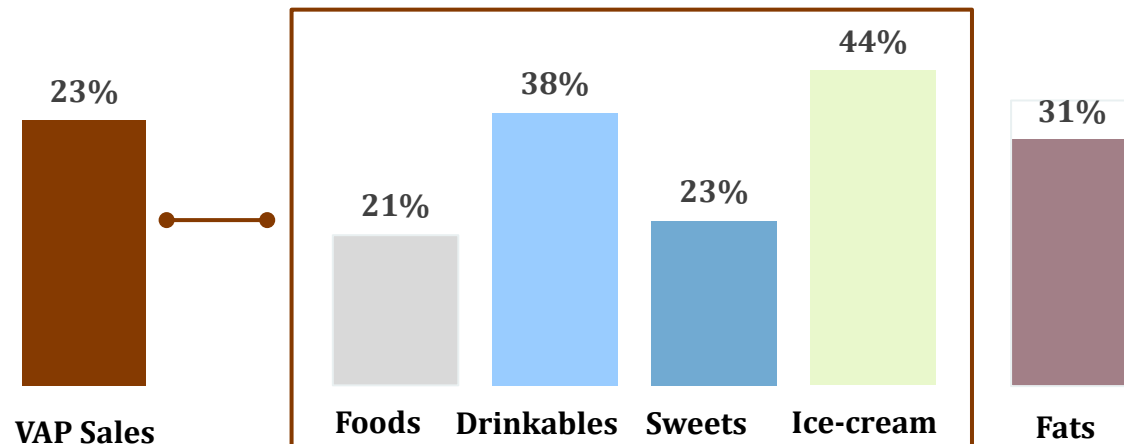
Strong Volume Led Growth in Dairy

3 Year CAGR (FY22-FY25)

Proven Expertise in Scaling Milk Procurement to Match Sales Growth

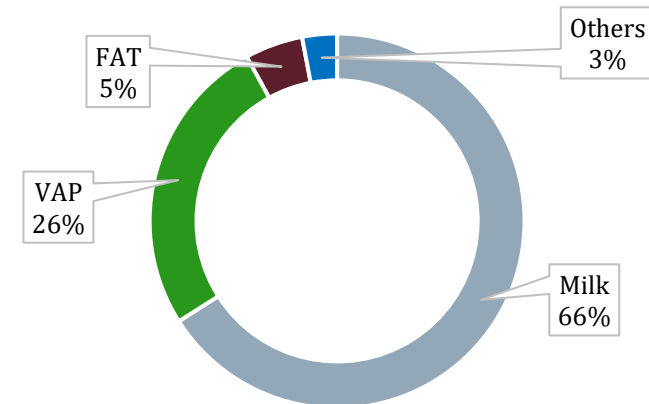


Driving balanced growth across portfolio

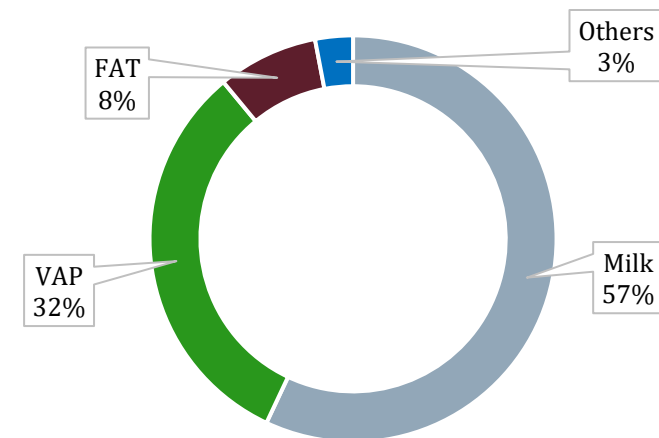


Product Mix

FY22



FY25



From Dairy to Your Door: The Journey of Milk

Milk Procurement



300,000+

Farmers across 9 states

1.7 Mn Litres

Procurement per day

Zero

Milk Holiday

Chilling Centers



195

Chilling Centres/Bulk Coolers

2.5 MLPD

Chilling Capacity

Processing Plant



18

State of the art Processing Plants

Digitally Enabled

Pasteurization



Excess fat separated and converted to fat products

Distribution Centers



2000+

Vehicles

7300+

Distributors

180,000

Retail Outlets

A balanced portfolio that works in every season

March-May



Drinkables, Curd and Ice-creams lead the sales

Jun-Aug



Milk and paneer sales boom with 'return to school'

Sep-Feb



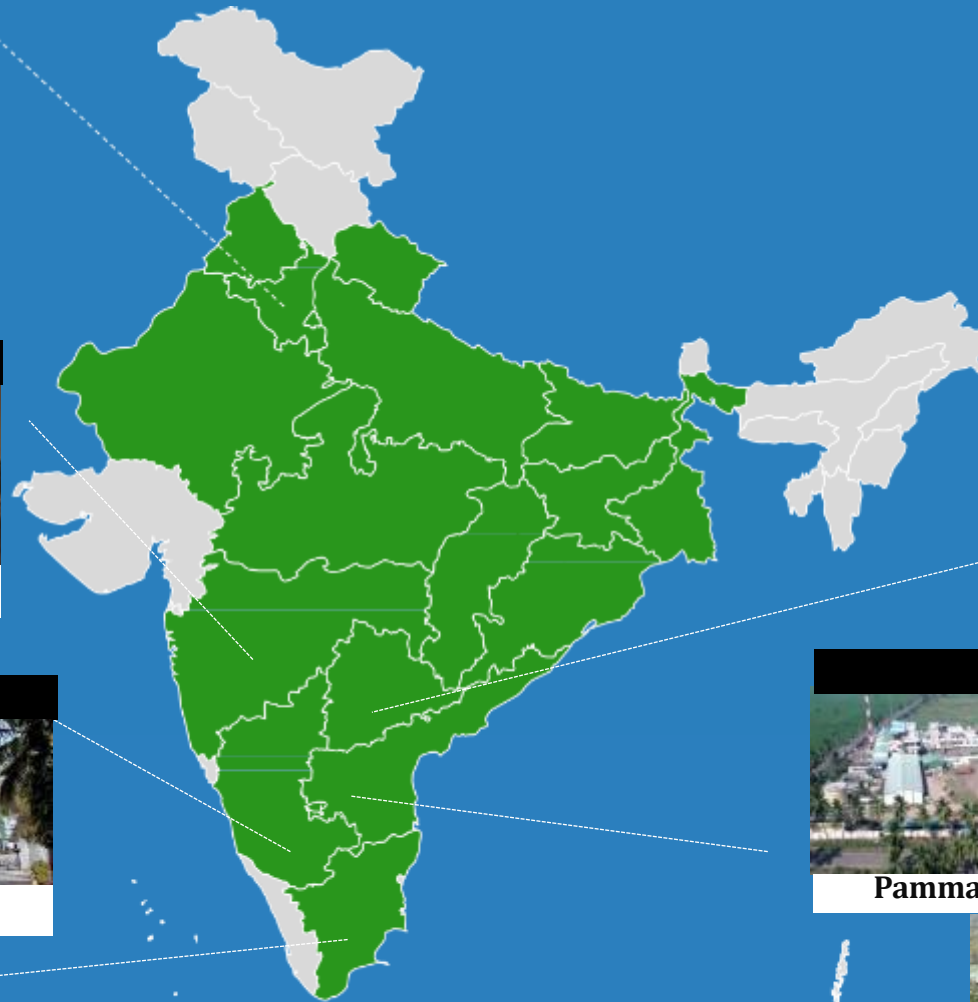
Festive and winter period when Ghee, butter and Sweets sales lead

Geographical Footprint

INDICATORS

 Milk and Milk Products Sales - 17 States

 Milk Procurement - 9 States





"At Heritage, we drive sustainable shareholder value through innovation, operational efficiency, and environmental stewardship, ensuring long-term growth, market leadership, and prosperity for all stakeholders."

Mrs. Nara Bhuvaneshwari
Vice-Chairperson & Managing Director

Business Model Built on Multiple USPs



Federated Supply Chain

Strong relationship with farmers

Multiple fit-for-purpose Route to Market

Strong relationship with all major customers

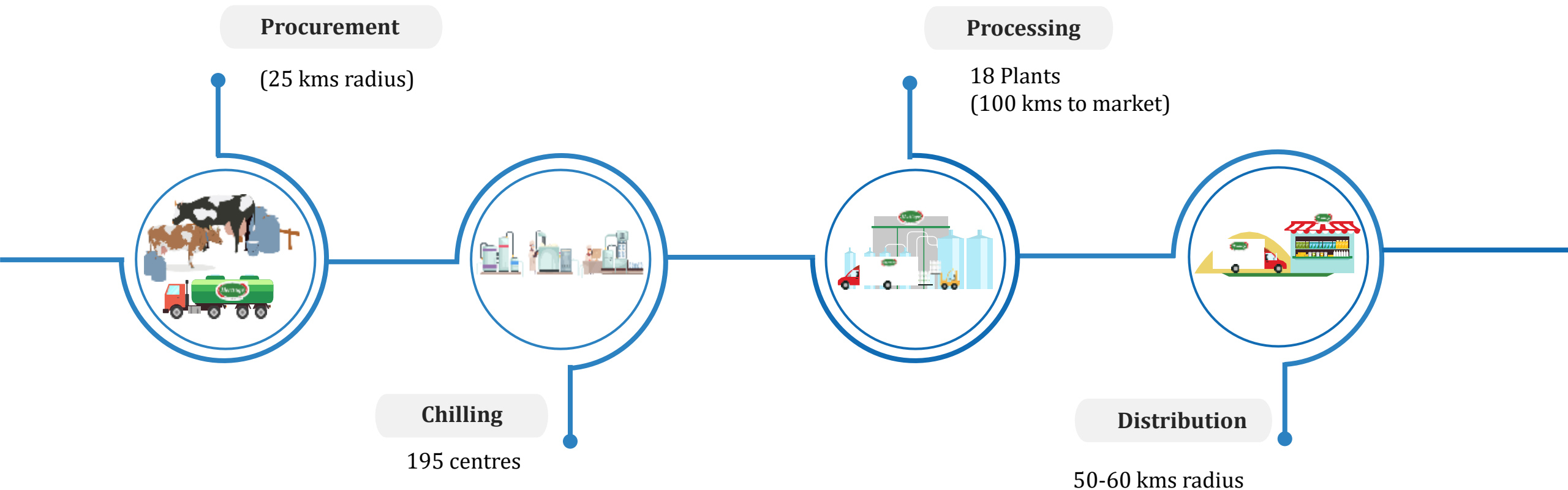
R&D and Marketing Capabilities

Strategic Working Capital Management



Federated Supply Chain

Operating as a large FMCG company



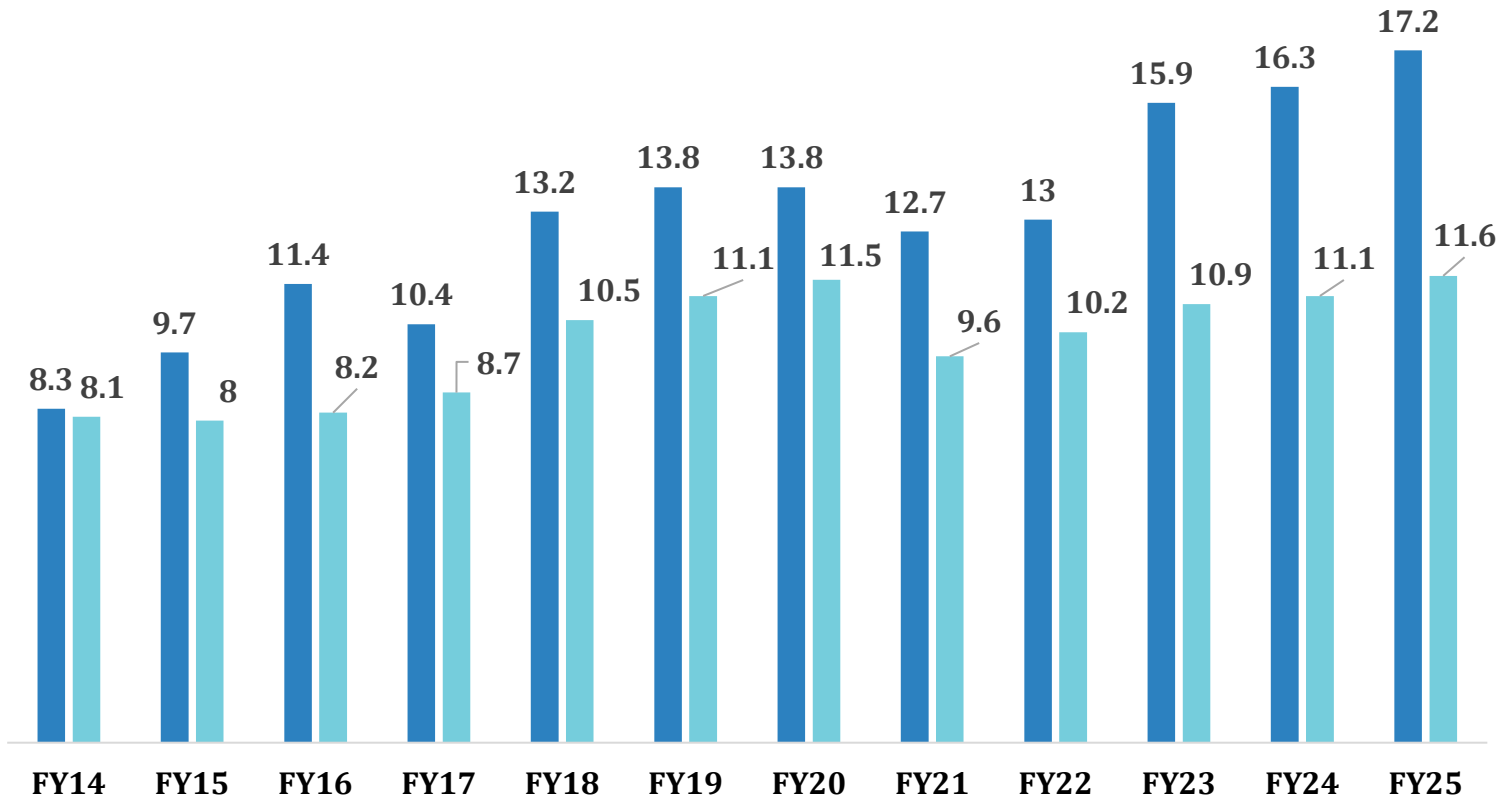
This reduces distance traveled by milk and maintains freshness

Strong relationship with farmers

Milk Procurement: Preferred Buyer



■ Milk Procured (LLPD) ■ Milk Sales (LLPD)



- Transparency and accurate measurement
- Fair pricing based on measurement of solids (fat and SNF) delivered
- Faster and guaranteed cashflow to farmers - Thrice a month payment
- No Milk holiday since inception

Integrated Distribution Network

75% of pin codes in 17 states

0.18 mn

Retail Outlets
(Retail Trade)

16

E Commerce Websites
(Retail Trade)

859

Heritage
Parlors
(Owned Network)

**BUILT CHANNEL
AGNOSTICITY**

386

Happiness points
(Owned Network)

7300+

Distributors
(Retail Trade)



- Happiness points revenue increased from 0% in FY21 to 5-6% in FY25.
- Whats app commerce has also been launched servicing ~500 neighbourhood households

Building Strong Bonds Through Collaborative Business Planning



Brick and Mortar



Ecommerce



- Annual Strategic Business Planning with Channel Partners
- Fostering Long-Term Partnerships and Unmatched Customer Loyalty

[illegible]

- **Certificate of Appreciation from Govt. of Telangana for groundwater management at Shamirpet Plant**
- **Bronze Medal at the 6th CII-FACE Kaizen Awards 2024 for food safety and quality at Bayyavaram Plant**
- **Gold at E4M IMA South 2024 for New Product Launch – FMCG.**
- **Silver at E4M IMA South 2024 for Integrated Marketing – Heritage Paneer Campaign**
- **Silver at E4M IMA South 2024 for Branded Content – Heritage Buffalo Milk.**
- **Bronze at E4M IMA South 2024 for Digital Marketing – Heritage Howzzatt Campaign**
- **Bronze at E4M IMA South 2024 for Omni Channel Marketing – Heritage Buffalo Milk**



Strategic Working Capital Management

Significant Reduction over last one year



Working Capital Day Days



Diversified and Growing Product Portfolio



TOTAL SKU's: 419



"We create value by staying flexible, introducing innovative products, and expanding into high-growth markets to meet consumer needs and drive sustainable growth."

Mrs . Nara Brahmani
Executive Director

Clear Strategic Priorities to Drive Future Growth



**Synergy in
Leadership**



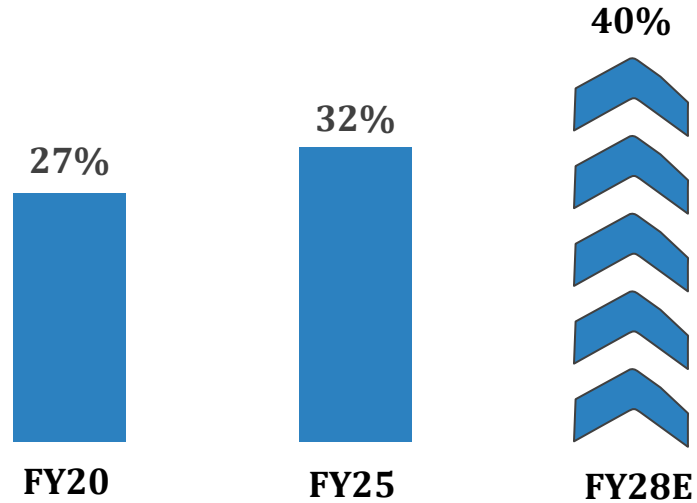
**Margin
Expansion**



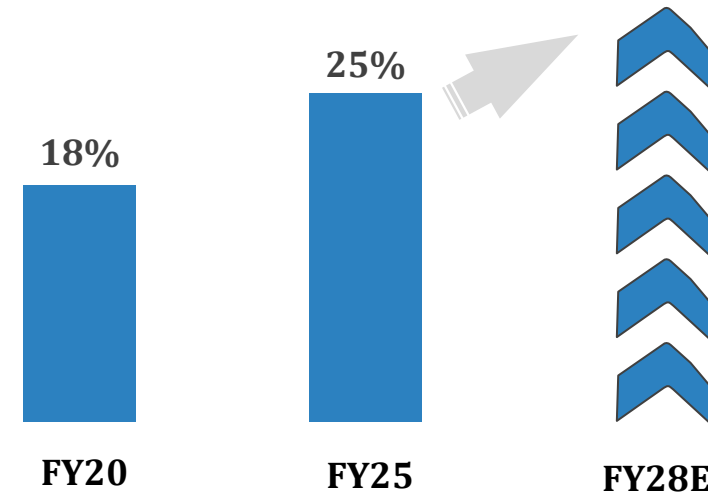
**Highly Tech
Enabled**

VAP portfolio to Improve Margins

Higher Contribution of VAP to Revenue



Higher Projected Gross Margins



Factors Driving VAP growth:

- ✓ Urbanisation
- ✓ Unorganised to Organised shift in the sector
- ✓ Higher disposable income

Industry Growth potential (By Category):

Category	Organised Market Share	CAGR (next 7 years)
ICE CREAM	40%	18-20%
CURD	14%	21-23%
PANEER	4%	23-25%
GHEE	18-19%	9-12%

Digitally Enabled Operations

1



Customer Live Application helps streamline sales and costs attributable while creating a responsible and accountable support environment at Heritage DIGIT Centre

2

DMS

Distributor Management System helps streamlining the primary and secondary sales process from Agent level up to the counter sales level in an authentic manner

3



Heritage VET+ is a one-stop solution for milch animal management. It provides virtual primary veterinary care, nutrition and best practices in dairy management



“We prioritize the highest standards of quality in every product we produce, ensuring that our consumers receive only the best, fresh, and nutritious dairy options.”

Dr. M. Sambasiva Rao
Whole Time Director

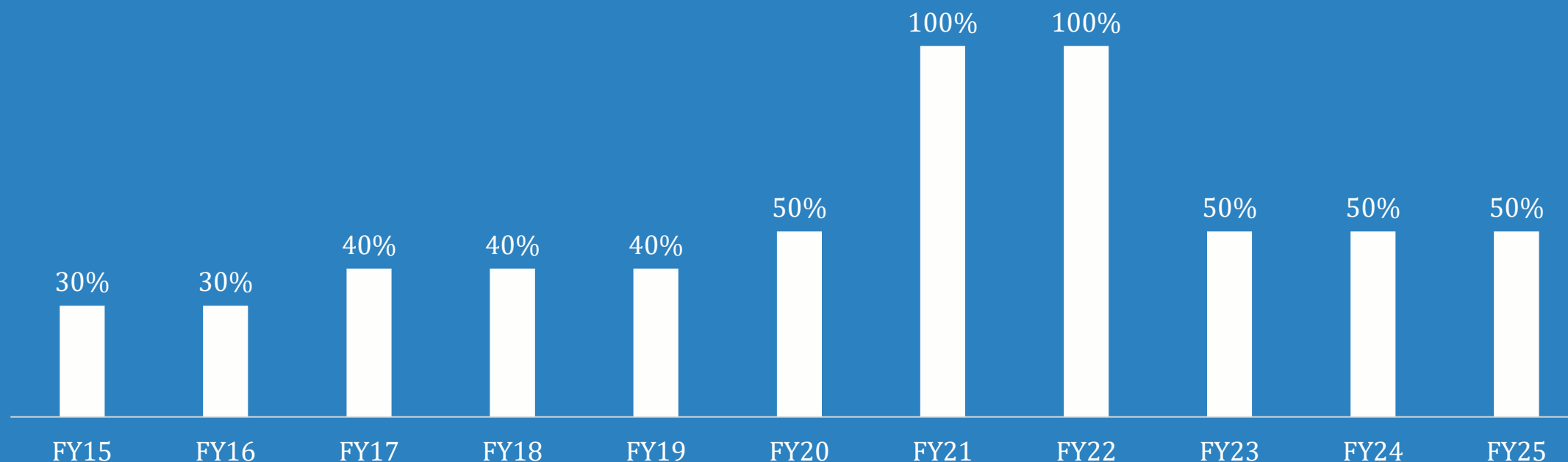
Focussed on Shareholder Value Creation

Consistently Paying Dividend



The company maintained its commitment to shareholders by continuing to pay dividends, even during the challenging COVID years.

PERCENTAGE OF DIVIDEND OF FACE VALUE





"At Heritage, we transcend the identity of a dairy company, embodying the essence of a progressive FMCG brand. Rooted in tradition yet driven by innovation, we craft products that enrich lives, inspire trust, and uphold uncompromising quality."

Srideep Kesavan
CEO

Unlocking Convenience with a Dynamic FMCG-Inspired Range



Heritage Foods Limited



Heritage Nutrivet Limited
(Wholly owned Subsidiary)



Heritage Novandie Foods Pvt Ltd
(Joint Venture)

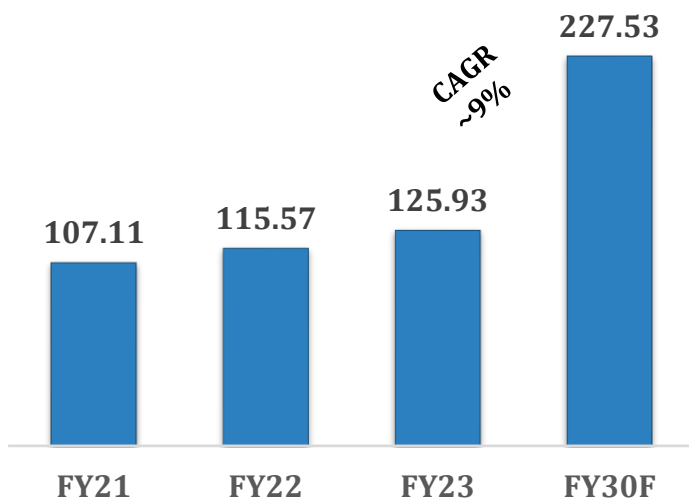
APPENDIX

to good health

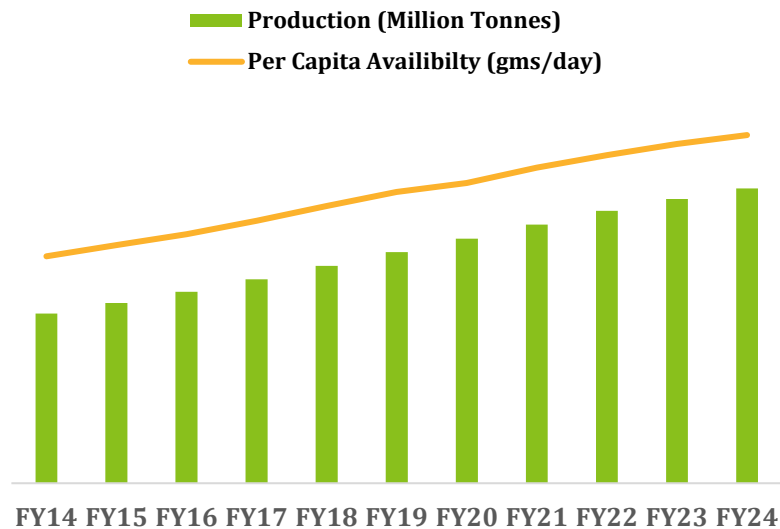


India's Dairy Industry: Poised for Significant Growth

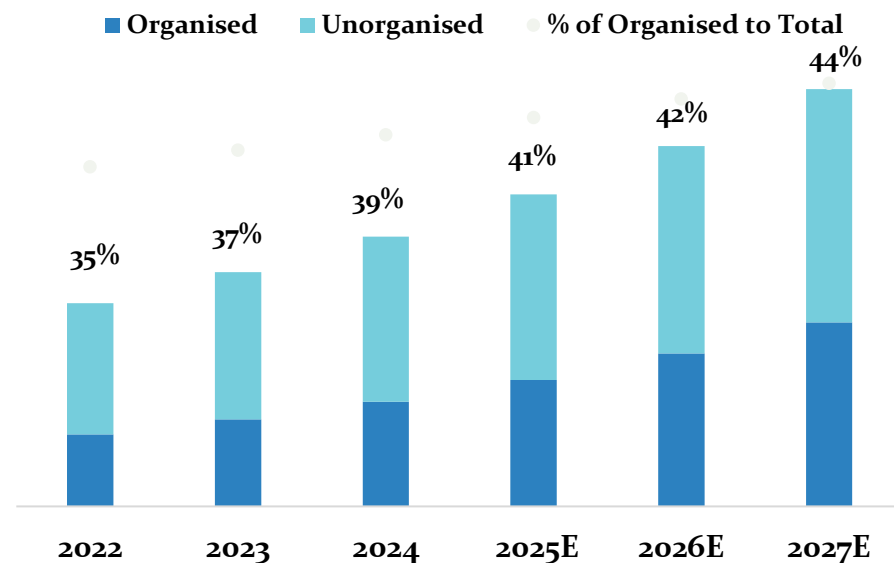
Indian Dairy market size
(in Bn dollars)



Steady growth in milk production and
per capita availability



Unorganized to Organised shift
Milk sales (INR Bn)



- ❖ India the largest milk producer by contributing 23% of global milk production
- ❖ Huge availability of milk in the country boosts the production of value-added and processed products.
- ❖ Government impetus - National Action Plan for Dairy Development (NAPD), National Programme for Dairy Development (NPDD), Interest Subvention on Working Capital Loans for Dairy Sector.

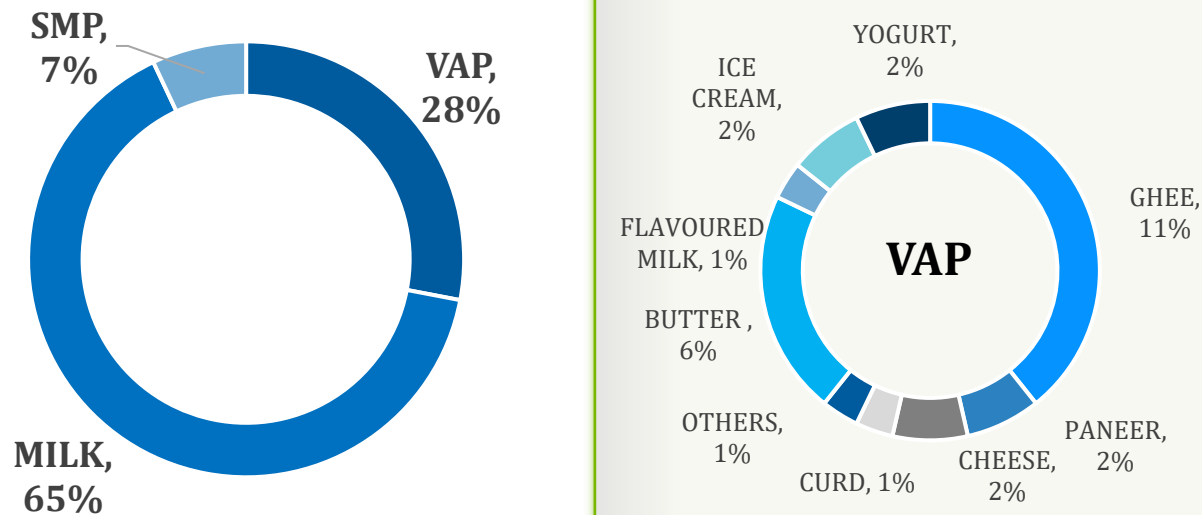
- ❖ ~40% of milk sales are handled by the organized sector, while 60% is managed by the unorganized sector.
- ❖ In contrast, developed nations process around 90% of surplus milk through the organized sector.

Shifting Towards VAP: Unlocking New Growth Opportunities

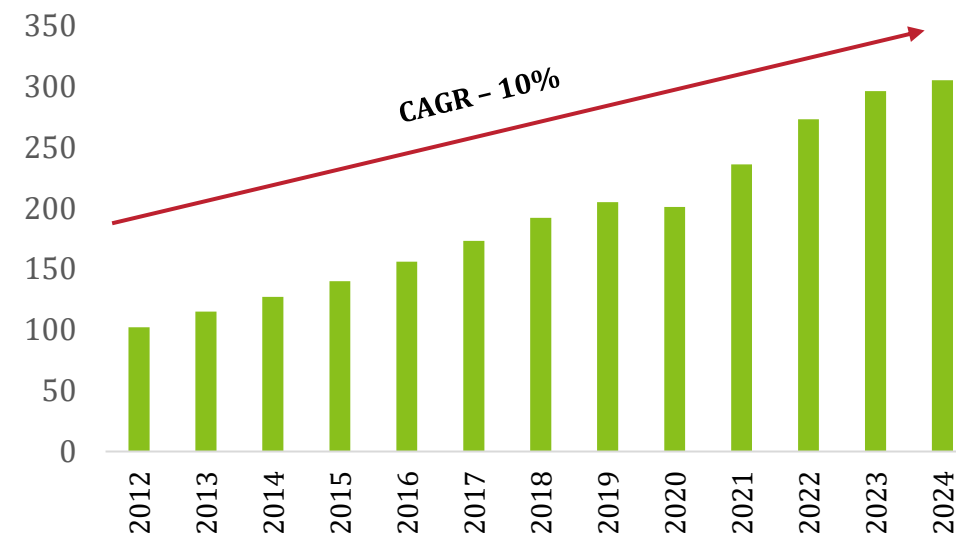


Says Mohit Makhija, Senior Director, CRISIL Ratings, “Amidst modest growth of 2-4% in realisation, the dairy industry’s revenues are seen rising on healthy 9-11% growth in volumes. VAP segment - 40% contributor to the industry revenues - will be the primary driver, fueled by rising income levels and consumer transition towards branded products. Rising sales of VAP and liquid milk in the hotels, restaurants and cafes (HORECA) segment will also support the revenue growth.”

Product contribution to organised Dairy sector Revenue



Disposable Personal Income in India (INR Mn)



Board of Directors



Mr. Angara Venkata Girija Kumar

Chairperson, Non-Executive Independent Director

Commerce graduate, MBA, AIII, and Member of FSIB, Ministry of Finance. Former CMD of Oriental Insurance with 40+ years of global insurance experience; also served as Independent Director in top conglomerates.



Mrs. Aparna Surabhi

Non-Executive Independent Women Director

FCA with B.Com and LL.B. from Bombay University, practicing since 1991. Brings 25+ years of audit and start-up consulting experience. Currently CFO & CHRO at Caliber Technologies Pvt. Ltd.



Mr. M P Vijay Kumar

Non-Executive Independent Director

Fellow Member of ICAI, ICMA, and ICSI with 30+ years of experience. Member of IFRS Interpretation Committee and Advisory Council. Former ICAI Council Member, ASB Chairman, and NFRA Ex-Officio Member. Named BW CFO of the Year 2021 and among CIMA's 100 most influential CFOs in India.



Mr. Rakesh Thakur Ahuja

Non-Executive Independent Director

Production Engineering graduate from Pune University and Harvard OPM alum. Founded Silver Line Wire Products in 1993, pioneering high-quality plastic-coated wire products for households.



Mrs. Bhuvaneswari Nara

Vice Chairperson/Managing Director

Bachelor of Arts with rich business experience, leading Heritage Foods since 1994. Key driver of growth, overseeing operations with a focus on innovation and excellence in the dairy industry.



Mrs. Brahmani Nara

Executive Director

A graduate in Electrical Engineering graduate from Santa Clara University, MBA from Stanford, and Communication Engineering degree from CBIT, Hyderabad. Since 2013, she has driven innovation and growth at Heritage Foods with her strong technical and strategic expertise.



Dr. M Sambasiva Rao

Whole Time Director

A Doctorate in Zoology and nearly 20 years in the IAS, including as Joint Secretary in the Ministry of Commerce, now drives growth at Heritage Foods with his governance and commerce expertise.

Experienced Leadership Team with Proven Expertise



Mr. Srideep Kesavan
CEO

An MBA from XLRI and a B.Tech from CET, he brings 28 years of leadership experience in Sales, Marketing, P&L, and General Management across Beverages, Food, and Agribusiness. With a background at Coca-Cola, he leverages his expertise to drive growth and innovation at Heritage Foods.



CA A. Prabhakara Naidu
CFO

A Fellow Member of the Institute of Chartered Accountants of India, he graduated with a university rank in Science from Sri Venkateswara University. With 36 years of experience in finance and accounts, he has been an integral part of Heritage Foods since its inception, contributing significantly to its growth and financial management.



Mr. J Samba Murty
COO

He holds an MBA in Marketing and a Bachelor's in Science. As the COO of Heritage Foods since 2007, he brings extensive experience in Sales & Marketing. He has previously held leadership roles at APDDCF Limited, Visakha Dairy, NDDB, and Reliance, with a strong focus on the dairy and agribusiness sectors.



Mr. Umakanta Barik,
Company Secretary

He holds a Master's in Economics, LLB, FCS, and LIII. A Fellow Member of the Institute of Company Secretaries of India, New Delhi, and a Licentiate from the Insurance Institute of India, Mumbai, he has over 25 years of experience in Secretarial, Legal, Insurance, and Intellectual Property Rights domains.

Historical Consolidated Income Statement

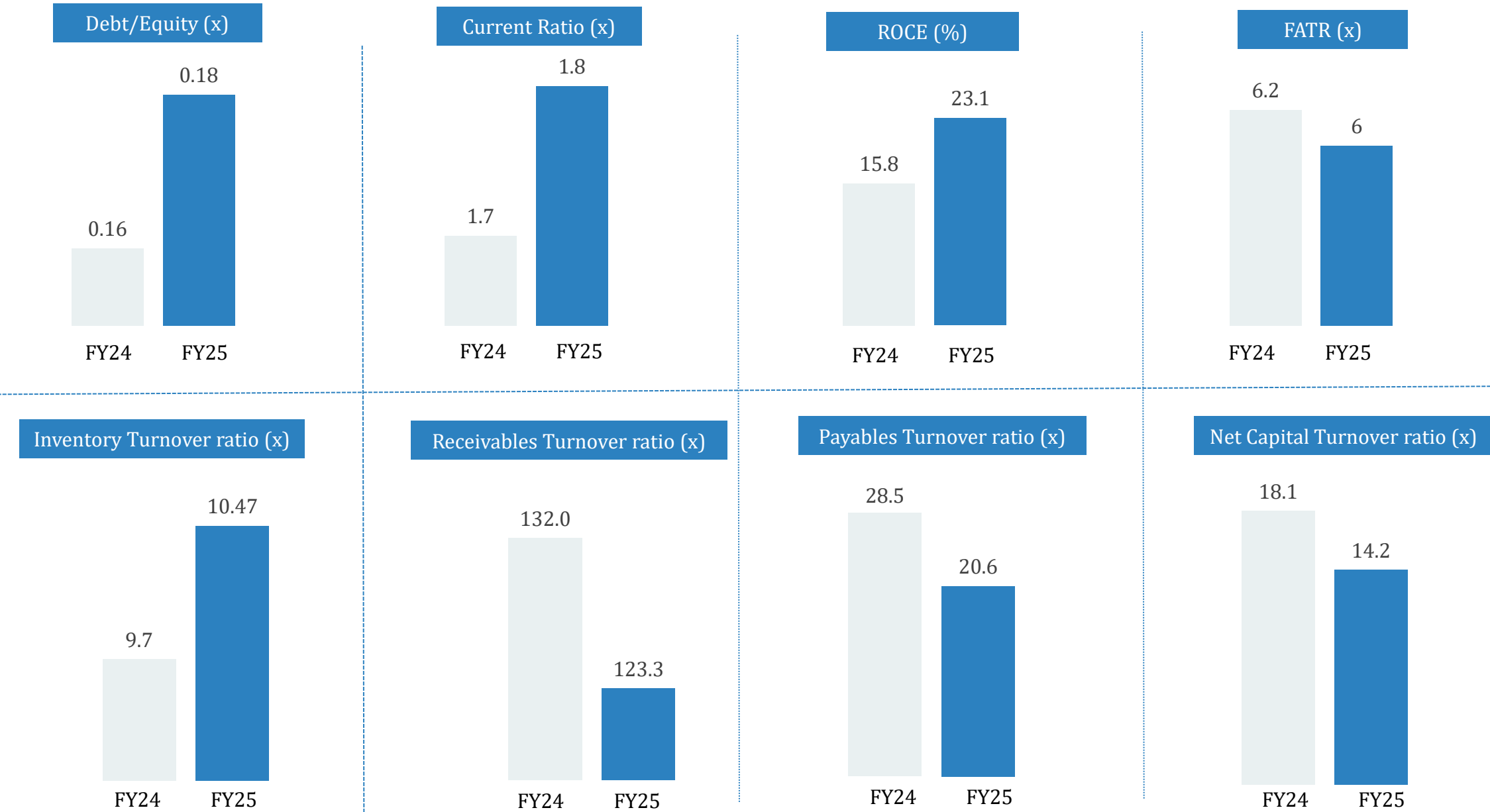
Particulars (INR Mn)	FY20	FY21	FY22	FY23	FY24	FY25
Operating Income	27,259	24,731	26,813	32,407	37,939	41,346
Expenses	25,974	22,062	24,906	31,024	35,844	38,036
EBITDA	1,284	2,669	1,907	1,383	2,095	3,310
EBITDA Margins (%)	4.7%	10.8%	7.1%	4.3%	5.5%	8.0%
Depreciation	501	462	522	561	608	696
Finance Cost	226	192	40	39	91	154
Other Income	89	80	113	121	120	279
Share of Profit/(Loss) of an associate & Joint Venture	(9)	(22)	(60)	(85)	(65)	(69)
Exceptional Item	-	-	-	-	-	87
Profit Before Tax	(1,534)	2,025	1,307	817	1,451	2,582
Tax	153	535	342	238	385	700
Profit After Tax	(1,694)	1,483	961	580	1,065	1,883
PAT Margins (%)	(6.2)%	6.0%	3.6%	1.8%	2.8%	4.6%
Other Comprehensive Income	(1,712)	(21)	(1)	(3)	(11)	(13)
Total Comprehensive Income	(3,406)	1,462	960	578	1,055	1,870
EPS Diluted (INR)	(18.51)	16.21	10.55	6.33	11.48	20.29

Historical Consolidated Balance Sheet

Particulars (INR Mn)	FY23	FY24	FY25
Equity And Liability			
Equity Share Capital	464	464	464
Reserve and Surplus	6,795	7,618	9,256
Shareholders Fund	7,259	8,082	9,720
Minority Interest	0	0	0
Total Equity	7,259	8,082	9,720
Non-Current Liabilities			
Long-term Borrowings	332	1,095	1,461
Deferred tax liabilities (net)	247	261	287
Other long term liabilities and provisions	266	302	350
Total non-current liabilities	846	1,659	2,098
Current Liabilities			
Short-term Borrowings	1,348	226	283
Trade payables	770	1,450	1,715
Short Term Provisions	90	108	136
Other current liabilities	938	1,287	1,631
Total current liabilities	3,146	3,071	3,766
Total Equity and Liability	11,250	12,811	15,583

Particulars (INR Mn)	FY23	FY24	FY25
Assets			
Non-Current Assets			
Property, Plant and Equipment	6,133	6,968	7,411
Capital WIP	199	201	680
Intangible assets & investment property	84	76	65
Investment in Associate & Joint Venture	144	177	96
Financial assets	107	115	160
Other non-current assets	50	25	320
Total non-current assets	6,717	7,561	8,732
Current Assets			
Inventories	3,789	2,619	3,552
Investments	0	1,222	1,862
Trade Receivables	280	287	380
Cash & Bank Balances	192	838	697
Loans	0	0	0
Other Current Assets	271	283	360
Total Current Assets	4,533	5,250	6,852
Total Assets	11,250	12,811	15,583

Strengthening Financial Health: Key Balance Sheet Ratios





THANK YOU

Company Contact

»» Mr. Umakanta Barik
Company Secretary and Compliance Officer
hfl@heritagefoods.in
Contact: 040-23391221/22

Investor Relations Contact

»» Garima Singla
Go India Advisors
garima@GoIndiaAdvisors.com
M:+91 9780042377

»» Sheetal Khanduja
Go India Advisors
sheetal@GoIndiaAdvisors.com
M:+91 97693 64166