



Ref: SECT: STOC: 85-22

18th October, 2022

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

Sub: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Dear Sir / Madam,

Pursuant to Regulation 30 of Listing Regulations, please find enclosed Press Release with regards to the Unaudited Financial Results (Standalone and Consolidated) for the quarter ended September 30, 2022.

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

About the Company:

Heritage Foods founded in the year 1992 is one of the fastest growing Private Sector Enterprises in India, with two business divisions' viz., Dairy and Renewable Energy under its flagship company Heritage Foods Limited and Cattle feed business through its subsidiary, Heritage Nutrivet Limited (HNL). Presently Heritage's milk and milk products have market presence in Andhra Pradesh, Telangana, Karnataka, Kerala, Tamil Nadu, Maharashtra, Odisha, NCR Delhi, Haryana, Uttar Pradesh and Uttarakhand. It has total renewable energy generation capacity of 10.50 MW from both Solar and Wind for captive consumption of its dairy factories.

HERITAGE FOODS LIMITED

CIN : L15209TG1992PLC014332

AN ISO: 22000 CERTIFIED COMPANY

Regd. Off: # 6-3-541/C, Panjagutta, Hyderabad - 500 082. Telangana, INDIA. Tel.: +91-40-23391221, 23391222, Fax: 23326789, 23318090
Email: hfl@heritagefoods.in, Website : www.heritagefoods.in



Heritage Foods Ltd records revenue growth of 22% YoY in Q2-FY23

October 18, 2022: Heritage Foods Limited (BSE: 519552 & NSE: HERITGFOOD), a leading pure play dairy company offering milk and milk-based products, announces its results for the quarter ending September 30, 2022.

Q2-FY23 Consolidated Financial Performance:

Revenue	EBITDA	EBITDA	PAT
INR 8,162 Mn	INR 398 Mn	Margin 4.88%	INR 190 Mn
YoY Growth: +21.76%	YoY Growth: -38.80 %	YoY Growth: -484 Bps	YoY Growth: -41.88%

H1-FY23 Consolidated Financial Performance:

Revenue	EBITDA	EBITDA	PAT
INR 16,371 Mn	INR 638 Mn	Margin 3.90%	INR 263 Mn
YoY Growth: +24.17%	YoY Growth: -46.19 %	YoY Growth: -509 Bps	YoY Growth: -58.21%

Q2-FY23 Operational Highlights:

- Average milk procurement during Q2-FY23 was at 14.62 lakh litres per day (LLPD), compared to 12.67 LLPD in Q2-FY22; registering a growth of 15.39% YoY
- Average milk sales during Q2-FY23 was 11.24 LLPD compared to 10.37 LLPD in Q2-FY22; recording an increase of 8.39% YoY
- Curd sales during Q2-FY23 were at 326.44 metric tonnes per day (MTPD) compared to 279.74 MTPD in Q2-FY22; registering a growth of 16.69% YoY
- Revenue from Value added products (VAP) grew by 28.86% YoY to INR 2,186 million in Q2-FY23 compared to INR 1,696 million in Q2-FY22.
- VAP contributed 27.03% to the overall dairy revenue during Q2-FY23 against 25.70% in Q2-FY22, up by 133 bps YoY.
- Even though the company undertook multiple price increases throughout the quarter, the increase in raw material cost of 19% on a YoY basis impacted the margins and bottomline.

Q2-FY23 - New product launched:

GlucoShakti 200ml Pouch (Whey Drink)



Management Comments:

Commenting on the performance of the Company, **Mrs. Brahmani Nara – Executive Director**, said – “The company continued its trend of positive sales growth with consolidated Q2-FY23 revenue growth at 22% YoY. Unfortunately, raw material price trend also continued to increase by 19% YoY against the same period in the previous year, resulting into historically high milk procurement prices. These abnormally high prices were primarily driven by the continuous spread of the Lumpy Skin Disease (LSD) across many states. Furthermore, due to the second wave of Covid-19 disease in the last year, animal healthcare has been neglected across the country reducing fertility rates and reducing the overall supply of milk this year, while demand continued to increase with the opening up of the economy and consumption centres across the country. And although historical trends suggest that October onwards milk availability is higher and demand also drops post the Diwali festival season, which should rationalize the procurement costs, we need to wait and watch if and how this pans out. To protect the company against these market volatilities, our strategy and focus has been to consistently increase the share of Value Add products, which now contribute to around 27% of overall sales from a mere 3% in 2007. The company aims to increase this share further to 40% in the coming years, which will over a period of time bring stability in the margin profile.”

Financial Statements

Results for the quarter ended September 30, 2022, prepared under Ind AS, along with segment results, are available in the Investor Relations section of our website <https://www.heritagefoods.in/>.

Quarterly Conference Call:

The earnings conference call will be held on Thursday, October 20, 2022 at 4:00 PM (IST) to discuss the Financial Results and performance of the Company for the quarter ended September 30, 2022.

The earnings conference call will be accessible from all networks and countries through universal access dial-ins +91 22 6280 1456 or +91 22 7115 8804 also accessible at: <https://bit.ly/3MzJnIt>

Further, the analyst(s)/institutional investor(s) presentation will be submitted to Stock Exchanges and shall also be hosted on the Company's website at <https://www.heritagefoods.in/>.

About Heritage Foods Limited:

Heritage Foods Limited (NSE: HERITGFOOD; BSE: 519552), founded in the year 1992, is one of the India's leading value-added and branded dairy products companies. It has a presence in the cattle feed business through its subsidiary, Heritage Nutrivet Limited (HNL).

Heritage Foods' milk and milk products, such as Curd, Ghee, Paneer, flavoured milk, and immunity milk, among others, are consumed by more than 1.5 million households in 11 states across India. Heritage Foods enjoys strong brand affinity with its consumers and is primarily known for its product authenticity, quality and freshness. It also enjoys long-term relationships with over 0.3 million farmers and has a vast distribution network across the country, comprising 6,517 distributors and agents. The Company is ESG responsible and has a total renewable energy generation capacity of 10.50 MW from both Solar and Wind for captive consumption within its dairy factories.

Contact Information:

Investor Relations Contact	Company Secretary & Compliance
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