

Huhtamaki

17th October 2023

Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Mumbai – 400 001
Security Code No – 509820

The Listing Department
National Stock Exchange of India Ltd
Exchange Plaza,
Bandra Kurla Complex
Bandra (East),
Mumbai 400 051
Security Code – HUHTAMAKI

Sub: Standalone Un-Audited Financial Results of the Company for the Quarter (Q3) ended 30th September 2023.

Dear Sir/Madam,

Pursuant to Regulation 33 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please note that the Board of Directors of the Company at their meeting held on Tuesday, 17th October 2023, inter-alia, considered and approved the Standalone Unaudited Financial Results of the Company for the Quarter (Q3) ended 30th September 2023 along with a copy of Limited Review Report duly signed by the Auditors of the Company.

The aforesaid board meeting commenced at 4.30 p.m. and concluded at 6.45 p.m.

Kindly take the same on your records.

Thanking you,

Yours faithfully,
For Huhtamaki India Limited


D V Iyer
Company Secretary & Legal Counsel



Registered Office:
Huhtamaki India Ltd.
A-802, Crescenzo, C-38/39,
G-Block, Bandra Kurla Complex,
Bandra (E), Mumbai-400 051,
Maharashtra.

Tel: +91 (022) 6260 6800/6260 6900
CIN: L21011 MH1950FLC145537
www.flexibles.huhtamaki.in

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
Western Express Highway
Goregaon (East), Mumbai – 400 063, India
Telephone: +91 (22) 6257 1000
Fax: +91 (22) 6257 1010

Limited Review Report on unaudited financial results of Huhtamaki India Limited for the quarter ended 30 September 2023 and year to date results for the period from 1 January 2023 to 30 September 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Huhtamaki India Limited

1. We have reviewed the accompanying Statement of unaudited financial results of Huhtamaki India Limited (hereinafter referred to as "the Company") for the quarter ended 30 September 2023 and year-to-date results for the period from 01 January 2023 to 30 September 2023. (in which are included financial information of one (1) branch in London, United Kingdom) ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248WW-100022



Anirudha Godbole

Partner

Mumbai

17 October 2023

Membership No.: 105149

UDIN:23105149BGYFSH3551

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

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Regd Office: A-802, Crescenzo, C-38/39, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400 051

Central Headquarters: L. B. Shastri Marg, Majiwade, Thane - 400 601

CIN - L21011MH1950FLC145537, Phone No.: (022) 6260 6800

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2023

Rs. in Million

Sr.No.	Particulars	Quarter ended 30.09.2023	Quarter ended 30.06.2023	Quarter ended 30.09.2022	Nine Months ended 30.09.2023	Nine Months ended 30.09.2022	Year ended 31.12.2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from Operations						
	a) Sale of Products and Services	6,442.9	6,058.2	7,534.6	18,961.3	22,399.8	29,165.0
	b) Other Operating Revenue	181.9	158.8	155.7	495.8	502.3	664.2
	Total Revenue from Operations	6,624.8	6,217.0	7,690.3	19,457.1	22,902.1	29,829.2
2	Other Income	30.0	21.2	21.1	114.0	205.1	172.3
3	Total Income	6,654.8	6,238.2	7,711.4	19,571.1	23,107.2	30,001.5
4	Expenses						
	a) Cost of Materials Consumed	4,376.2	4,258.2	5,514.5	13,249.3	16,903.7	21,679.0
	b) Changes in Inventories of Finished Goods and Work-in-Progress	160.0	(13.0)	250.0	139.8	(66.3)	158.4
	c) Employee Benefit Expenses	686.0	645.5	657.2	1,924.7	1,912.7	2,535.9
	d) Finance Costs	75.2	99.5	87.5	242.8	237.3	322.8
	e) Depreciation and Amortisation Expense	108.3	115.5	210.3	379.7	650.7	860.5
	f) Other Expenses	945.1	926.6	1,039.1	2,773.3	3,070.5	3,885.6
	Total Expenses	6,350.8	6,032.3	7,758.6	18,709.6	22,708.6	29,442.2
5	Profit/(Loss) from Operations before exceptional item and tax (3-4)	304.0	205.9	(47.2)	861.5	398.6	559.3
6	Exceptional Item (Refer Note D)	-	21.2	-	21.2	-	-
7	Profit/(Loss) before Tax (5-6)	304.0	184.7	(47.2)	840.3	398.6	559.3
8	Tax expense						
	Current tax						
	- Current period/year	66.9	50.3	16.6	185.0	159.7	172.9
	- (Credits) related to previous period written back	(97.1)	-	-	(191.3)	-	-
	Deferred tax charge/(credit)	11.5	(10.2)	(64.2)	24.4	(89.1)	(110.0)
9	Profit for the period/year (7-8)	322.7	144.6	0.4	822.2	328.0	496.4
10	Other Comprehensive (Loss)/Income for the period/year						
	Items that will not to be reclassified subsequently to Profit or Loss						
	Remeasurement of defined benefit (asset) / liability	-	-	-	(9.2)	3.6	(8.4)
	Tax on above	-	-	-	2.3	(0.9)	2.1
	Items that will be reclassified subsequently to Profit or Loss						
	Fair value of cash flow hedges through other comprehensive (loss)/income (Net)	(8.1)	5.7	(4.2)	6.6	(4.2)	(4.8)
	Tax on above	2.0	(1.4)	1.1	(1.7)	1.1	1.2
	Other Comprehensive (Loss)/Income (Net of Tax)	(6.1)	4.3	(3.1)	(2.0)	(0.4)	(9.9)
11	Total Comprehensive Income/(Loss) for the period/year (9+10)	316.6	148.9	(2.7)	820.2	327.6	486.5
12	Paid Up Share Capital - Equity Face Value Rs.2 each	151.1	151.1	151.1	151.1	151.1	151.1
13	Other Equity						7,418.5
14	Earnings in Rs. per share of Rs.2 each (not annualised)						
	Basic & Diluted EPS after exceptional item	4.27	1.91	0.01	10.88	4.34	6.57
	Basic & Diluted before exceptional item	4.27	2.19	0.01	11.16	4.34	6.57



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Notes:

A. The Company's business segment is primarily consumer packaging and all other activities of the Company are incidental to this business segment.

B. During the quarter and half year ended June 2022 and quarter and nine months ended September 2022, the Company had re-classified certain assets consisting of leasehold land, building, furniture & fixtures and plant and machinery having net book value of Rs. 129.9 Mn and Rs. 70.6 Mn respectively from Property, Plant and Equipment to Assets Held for Sale as required under Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations. The Company is in discussion with a prospective buyer and is in the process of completing legal and other formalities for disposal of these assets. Accordingly, the Company continues to classify these assets as Asset Held for Sale in line with the requirements of the aforesaid Ind AS 105.

C. Effective January 1, 2023, and as disclosed earlier, the Company has revised the useful life of certain Property, Plant and Equipment (PPE) based on technical evaluation conducted by management to reflect a realistic useful life of the assets. Accordingly, change in useful life of PPE is being applied prospectively in accordance with Ind AS 8 - Accounting policies, change in accounting Estimates and Errors. In addition, the Company has revised the method of charging depreciation on Building from Written Down Value Method to Straight Line Method. Had the Company continued with the previous estimated useful life for PPE and Written Down Value Method for charging depreciation on Buildings, charge for depreciation for quarter and nine months ended 30 September 2023 would have been higher by Rs. 87.6 Mn and Rs. 228.5 Mn respectively and consequentially deferred tax charge on the same would have been lower by Rs. 22.0 Mn and Rs. 57.5 Mn for quarter and nine months ended 30 September 2023 respectively.

D. With the objective to achieve economies of scale, optimise production processes and reduce overall operating expenses, the Company, during the previous quarter ended 30 June 2023, relocated its Labels manufacturing capacities at three sites to other existing Label manufacturing sites. Pursuant thereto, the Company has charged accelerated depreciation of Rs. 12.8 Mn in respect of property plant and equipment that are not useable at other locations. Further, the Company has paid Rs. 6.6 Mn towards settlement package for the employees in the above three locations and provided for Rs. 1.8 Mn towards other Disposal Costs. The aforementioned expenses, which aggregate to Rs. 21.2 Mn have been disclosed as an "Exceptional Item".

E. The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 17, 2023.

F. The statutory auditors have issued an unmodified review report on the above results.

Mumbai, October 17, 2023

Visit us at our website: www.flexibles.huhtamaki.in



For Huhtamaki India Limited

Murali Sivaraman

Chairman



Huhtamaki

Q3 2023 RESULTS

Mumbai, 17th October 2023: Huhtamaki India Limited announced its results for Q3 2023

Q3 2023: Net Sales Rs. 6,443 million, EBIT margin 5.9%

Q3 2023:

For Q3 2023, the Company reported net sales of Rs. 6,442.9 million representing a 14.5% decrease compared to the corresponding period of last year. The Company reported EBIT before exceptional items at Rs. 379.2 million which represents nearly a ten-fold increase as compared to the corresponding period of last year. This increase has been achieved despite a decrease in net sales as stated above. However, sales for Q3 have increased by 6% as compared to the previous quarter.

For the 9 months ended Sep 23, the company has reported Sales of INR 18,961 Million, a decrease of 15.4% compared to the corresponding period of last year. Despite the decrease in sales, the Company reported EBIT before exceptional item at Rs. 1,104.1 million, which represents an increase of approximately 73.7% compared to the corresponding period of last year.

Commenting on the performance, Mr. Dhananjay Salunkhe, Managing Director, said:

Even though the Company continued to witness erosion in the Top Line in Q3, partly because of strategic positioning, we were able to add significantly to the bottom-line during the quarter and the entire 2023. While there have been challenges in the Business environment, commercial actions and intensified cost out initiatives started a few quarters back are now impacting the Results, which is apparent from the Company's financial performance.

Our ambition is to reimagine packaging for a better world, encouraging our customers and end users to adopt sustainable packaging. Therefore we are introducing 'Huhtamaki Blueloop' as our enterprise-wide brand that covers our range of sustainable packaging products driven by technology and operational excellence. This helps aligning our vital goal of sustainability with our customers sustainability goals as well.

About Huhtamaki India Limited:

Huhtamaki India Limited is subsidiary of Huhtamäki Oyj, a leading global provider of sustainable packaging solutions for consumers around the world. Huhtamaki Group is headquartered in Espoo, Finland and our parent company, Huhtamäki Oyj, is listed on Nasdaq Helsinki Ltd. Our innovative products protect on-the-go and on-the-shelf food and beverages, and personal care products, ensuring hygiene and safety, driving accessibility and affordability, and helping prevent food waste. We embed sustainability in everything we do. Our values Care Dare Deliver guide our decisions and help our team of around 2600 employees in India make a difference where it matters. Our operations are supported by 11 manufacturing facilities in India.



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. 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.

For more information: please contact investor.communication@huhtamaki.com

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Mumbai – 400051

Tel: +91 22 6260 6800

