

Huhtamaki

17th July 2023

Department of Corporate Services
BSE Limited
Phiroze Jeejeeboy 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: Un-Audited Financial Results of the Company for the Quarter/Half Year ended 30th June 2023.

Dear Sir/Madam,

Pursuant to Regulation 33 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Unaudited Financial Results of the Company for the Quarter/Half Year ended 30th June 2023 including the Statement of Assets and Liabilities as on date and Statement of Cash Flow for the half year ended 30th June, 2023 along with a copy of Limited Review Report duly signed by the Auditors of the Company.

The said results were considered and approved by the Board of Directors of the Company at its meeting held on Monday, 17th July 2023, which commenced at 2.30 p.m. and concluded at 5.15 p.m.

Kindly take the same on your records.

Thanking you,

Yours faithfully,
For Huhtamaki India Limited


D V Iyer
Company Secretary & Legal Counsel

Encl: a/a

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 – 400063, India
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Limited Review Report on unaudited financial results of Huhtamaki India Limited for the quarter ended 30 June 2023 and year to date results for the period from 1 January 2023 to 30 June 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 June 2023 and year to date results for the period from 01 January 2023 to 30 June 2023 (“the Statement”) (in which are included interim financial information from one (1) of branch located at London, United Kingdom).
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.:101248W/W-100022

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SHREEKANT
GODBOLE

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Aniruddha Godbole

Partner

Membership No.: 105149

UDIN:23105149BGYFRK2019

Registered Office:

Huhtamaki

Huhtamaki India Limited

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 HALF YEAR ENDED JUNE 30, 2023

Rs. in Million

Sr.No.	Particulars	Quarter ended 30.06.2023	Quarter ended 31.03.2023	Quarter ended 30.06.2022	Half year ended 30.06.2023	Half year ended 30.06.2022	Year ended 31.12.2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from Operations						
	a) Sale of Products and Services	6,058.2	6,460.2	7,754.5	12,518.4	14,865.2	29,165.0
	b) Other Operating Revenue	158.8	155.1	172.2	313.9	346.6	664.2
	Total Revenue from Operations	6,217.0	6,615.3	7,926.7	12,832.3	15,211.8	29,829.2
2	Other Income	21.2	62.8	58.4	84.0	184.0	172.3
3	Total Income	6,238.2	6,678.1	7,985.1	12,916.3	15,395.8	30,001.5
4	Expenses						
	a) Cost of Materials Consumed	4,258.2	4,614.9	6,067.6	8,873.1	11,389.2	21,679.0
	b) Changes in Inventories of Finished Goods and Work-in-Progress	(13.0)	(7.2)	(219.3)	(20.2)	(316.3)	158.4
	c) Employee Benefit Expenses	645.5	593.2	675.7	1,238.7	1,255.5	2,535.9
	d) Finance Costs	99.5	68.1	77.5	167.6	149.8	322.8
	e) Depreciation and Amortisation Expense	115.5	155.9	219.5	271.4	440.4	860.5
	f) Other Expenses	926.6	901.6	1,057.8	1,828.2	2,031.4	3,885.6
	Total Expenses	6,032.3	6,326.5	7,878.8	12,358.8	14,950.0	29,442.2
5	Profit from Operations before exceptional item and tax (3-4)	205.9	351.6	106.3	557.5	445.8	559.3
6	Exceptional Item (Refer Note D)	21.2	-	-	21.2	-	-
7	Profit before Tax (5-6)	184.7	351.6	106.3	536.3	445.8	559.3
8	Tax expense						
	Current tax						
	- Current period/year	50.3	67.8	44.7	118.1	143.1	172.9
	- (Credits) related to previous period written back	-	(94.2)	-	(94.2)	-	-
	Deferred tax (credit)/charge	(10.2)	23.1	(19.9)	12.9	(24.9)	(110.0)
9	Profit for the period/year (7-8)	144.6	354.9	81.5	499.5	327.6	496.4
10	Other Comprehensive (Loss)/Income for the period/year						
	Items that will not be reclassified subsequently to Profit or Loss						
	Remeasurement of defined benefit (asset) / liability	-	(9.2)	-	(9.2)	3.6	(8.4)
	Tax on above	-	2.3	-	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 income /(loss) (Net)	5.7	9.0	-	14.7	-	(4.8)
	Tax on above	(1.4)	(2.3)	-	(3.7)	-	1.2
	Other Comprehensive Income/(Loss) (Net of Tax)	4.3	(0.2)	-	4.1	2.7	(9.9)
11	Total Comprehensive Income for the period/year (9+10)	148.9	354.7	81.5	503.6	330.3	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	1.91	4.70	1.08	6.61	4.34	6.57
	Basic & Diluted before exceptional item	2.19	4.70	1.08	6.89	4.34	6.57

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

Balance Sheet as at June 30, 2023

Rs. in Million

		As at 30.06.2023	As at 31.12.2022
		(Unaudited)	(Audited)
A	Assets		
1	Non-Current Assets		
	a. Property, Plant and Equipment	3,499.7	3,462.9
	b. Capital Work-in-Progress	1,124.3	350.3
	c. Right - Of - Use Assets	615.2	647.6
	c. Goodwill	623.8	623.8
	d. Other Intangible Assets	37.9	53.7
	e. Financial Assets		
	i. Investments*	0.0	0.0
	ii. Loans	1.4	0.6
	iii. Other Financial Assets	133.4	130.1
	f. Deferred Tax Assets (Net)	269.8	284.1
	g. Other Tax Assets (Net)	727.3	744.6
	h. Other Non-current Assets	119.3	585.9
	Total Non-Current Assets	7,152.1	6,883.6
2	Current Assets		
	a. Inventories	3,192.0	2,979.9
	b. Financial Assets		
	i. Trade receivables	5,970.6	6,587.0
	ii. Cash and Cash Equivalents	511.6	425.3
	iii. Bank balances other than Cash and cash equivalents mentioned above	4.1	6.5
	iv. Loans	9.4	8.4
	v. Other Financial Assets	21.7	10.0
	c. Other Current Assets	540.9	403.2
	d. Assets held for Sale (Refer Note B)	197.3	202.7
	Total Current Assets	10,447.6	10,623.0
	Total Assets	17,599.7	17,506.6
B	Equity and Liabilities		
1	Equity		
	a. Equity Share Capital	151.1	151.1
	b. Other Equity	7,774.1	7,418.5
	Total Equity	7,925.2	7,569.6
2	Liabilities		
	Non-Current Liabilities		
	a. Financial Liabilities		
	i. Borrowings	2,000.0	2,000.0
	ii. Lease Liabilities	371.9	398.2
	iii. Other Financial Liabilities	8.1	5.4
	b. Provisions	50.3	59.5
	c. Other Non-Current Liabilities	133.7	80.9
	Total Non-Current Liabilities	2,564.0	2,544.0
	Current liabilities		
	a. Financial liabilities		
	i. Borrowings	1,726.7	1,661.5
	ii. Lease Liabilities	33.4	37.8
	iii. Trade Payables		
	Total outstanding dues of micro enterprises and small enterprises	182.5	145.4
	Total outstanding dues of creditors other than micro enterprises and small enterprises	4,357.8	4,634.1
	iv. Other Financial Liabilities	254.6	268.3
	b. Other Current Liabilities	194.2	207.0
	c. Provisions	265.7	261.1
	d. Current Tax Liabilities (Net)	95.6	177.8
	Total Current Liabilities	7,110.5	7,393.0
	Total Liabilities	9,674.5	9,937.0
	Total Equity and Liabilities	17,599.7	17,506.6

*Amount less than Rs 50,000

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Unaudited Statement of Cash flows for half year ended June 30, 2023

	Rs. in Million	
	Half year ended 30.06.2023	Half year ended 30.06.2022
A. Cash Flow from Operating activities		
Net Profit before tax	536.3	445.8
Adjustments for		
Depreciation and Amortisation	284.2	440.5
Unrealised Foreign Exchange (Gain) (Net)	(6.4)	(44.4)
Interest Income	(4.0)	(2.7)
Finance costs	163.7	146.2
Net Interest on net defined benefit liability	3.9	3.6
Charge of impairment loss on trade receivables	1.0	6.9
Bad debts written off	22.7	-
Provision for Indirect taxes	2.4	-
Inventory provision	116.4	44.6
Mark-to-market (gain)/loss on derivative financial instruments	(2.2)	60.5
(Gain) on modification of lease	(1.2)	-
Group Stock Option Arrangement	3.0	2.0
Liabilities no longer required written back	(3.4)	(80.1)
(Profit) on Sale of Property, Plant & Equipment (Net)	(16.4)	(30.7)
Cash Generated from Operations before working capital changes	1,100.0	992.2
Working capital adjustments		
Adjustments for		
Decrease/(Increase) in Trade Receivables	597.1	(1,370.8)
(Increase) in Inventories	(328.5)	(1,029.9)
(Increase) in Non-current and current financial assets	(25.7)	(55.5)
(Increase) in Other Non-current and Other current assets	(133.7)	(51.3)
(Decrease)/Increase in Trade Payables	(237.7)	456.8
(Decrease) in Other Non-current and current financial liabilities	(53.2)	(2.6)
Increase/(Decrease) in Other Non-current and Other current liabilities	40.0	(91.0)
(Decrease)/Increase in Non-current and current provisions	(20.1)	60.8
Cash flows generated from / (used) in operations	938.2	(1,091.3)
Taxes paid (net of refunds)	(88.9)	(58.2)
Net cash flows from operating activities	849.3	(1,149.5)
Exceptional Item (Refer Note D)	1.8	-
Net Cash flows generated from / (used) in operating activities - A	851.1	(1,149.5)
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipment, capital work-in-progress and capital advances	(523.1)	(299.6)
Proceeds from Sale of property, plant and equipment	21.1	38.4
Sale of Current Investments	-	6.2
Proceeds/(Investment) from/in deposits with Bank	2.4	(0.2)
Interest Received	4.7	4.0
Net cash flows (used in) Investing activities - B	(494.9)	(251.2)
C. Cash Flow from Financing activities		
Interest paid other than lease	(92.7)	(71.3)
Interest paid on lease liabilities	(17.2)	(22.3)
Principal payment of lease liabilities	(18.6)	(29.9)
Proceeds of current borrowings	15,293.5	13,819.3
(Repayment) of current borrowings	(15,286.6)	(12,402.6)
Dividends paid	(152.2)	(76.6)
Net cash flows (used in) / generated from financing activities - C	(273.8)	1,216.6
Net increase / (decrease) in cash and cash equivalents -(A+B+C)	82.4	(184.1)
Cash and cash equivalents at the beginning of the year	425.3	320.8
Exchange difference on translation foreign currency cash and cash equivalents	3.9	0.2
Cash and cash equivalents at the end of the period	511.6	136.9

Note: The Company has used profit before tax as the starting point for presenting operating cash flows using the indirect method.

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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, 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 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 half year ended 30 June 2023 would have been higher by Rs. 86.5 Mn and Rs. 140.9 Mn respectively and consequentially deferred tax charge on the same would have been lower by Rs. 21.8 Mn and Rs. 35.5 Mn for quarter and half year ended 30 June 2023 respectively.

D. With the objective to achieve economies of scale, optimise production processes and reduce overall operating expenses, the Company, during the 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 July 17, 2023.

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

For Huhtamaki India Limited

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Dhananjay Salunkhe
Managing Director

Mumbai, July 17, 2023

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

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GODBOLE SHREEKANT GODBOLE
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Huhtamaki

Q2 2023 RESULTS

Mumbai, 17th July 2023: Huhtamaki India Limited announced its results for Q2 2023

Q2 2023: Net Sales Rs. 6,058 million, EBIT margin 5%
H1 2023: Net Sales Rs. 12,518 million, EBIT margin 5.8%

Q2 2023:

For Q2 2023, the Company reported net sales of Rs. 6,058.2 million representing a 21.9% decrease compared to the corresponding period of last year. The Company reported EBIT before exceptional item at Rs. 305.4 million which represents an increase of 66.2% compared to the corresponding period of last year. This increase has been achieved in spite of a 21.9% decrease in net sales.

H1 2023:

For H1 2023, the Company reported net sales of Rs. 12,518.4 million representing a 15.8% decrease compared to the corresponding period of last year. The Company reported EBIT before exceptional item at Rs. 725.1 million which represents an increase of 21.7% compared to the corresponding period of last year. This increase has been achieved in spite of a contraction of 15.8% in net sales during the period.

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

The Company had a muted Revenue Performance in Q2 as well as entire H1. Notwithstanding lower volumes/revenue, the Company has been able to improve upon the bottom-line during this period. While we have faced certain headwinds, we believe that continuous focus on delivering customer excellence and driving world class operations would help the Company to retain its position as a key market player and remain competitive in the long run. The Company has initiated steps towards consolidating smaller Manufacturing sites with our existing footprint to improve our competitiveness.

Our ambition is to reimagine packaging for a better world, in turn encouraging our customers and end users to adopt sustainable packaging. Towards this end 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 would help align 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 3 000 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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