HEXAGON NUTRITION LIMITED
Nutritionally Yours...

Ref: HNL/SEC/2026-27/23 **Date: 18th August 2026**

To,

National Stock Exchange of India Limited
Listing & Compliance Department
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400051, Maharashtra, India.
SYMBOL: HEXAGON

BSE Limited
Listing Department
Floor 25, P J Towers,
Dalal Street, Mumbai – 400001
Maharashtra, India.
Scrip Code: 544785

Dear Sir/Madam,

Ref: HEXAGON NUTRITION LIMITED - ISIN: INE0JUI01012

Subject: Disclosure Under Regulation 30 Of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") – Q1 (FY 2026-27) Earnings Call Transcript

Pursuant to the provisions of Regulation 30 of Listing Regulations, please find enclosed transcript of the Earnings Conference Call held on August 14, 2026, for Un-audited Standalone and Consolidated Financial Results for the quarter ended June 30, 2026.

The transcript is also being disseminated on the Company's website at www.hexagonnutrition.com

This is for your information and records.

Yours faithfully,
***For* Hexagon Nutrition Limited**

VEDANTI SWAPNIL VARTAK
Digitally signed by VEDANTI SWAPNIL VARTAK
Date: 2026.08.18 12:23:02 +05'30'

____

Vedanti Vartak
Company Secretary and Compliance Officer
ICSI Membership No.: A41580

HEXAGON NUTRITION®
Nutritionally Yours...

"Hexagon Nutrition Limited Q1 FY27 Earnings Conference Call"

August 14, 2026

MANAGEMENT: **DR. NIKHIL KELKAR – JOINT MANAGING DIRECTOR – HEXAGON NUTRITION LIMITED**
MR. VIKRAM KELKAR – MANAGING DIRECTOR – HEXAGON NUTRITION LIMITED
MR. SOMAN JANA – CHIEF FINANCIAL OFFICER – HEXAGON NUTRITION LIMITED

Moderator: Ladies and gentlemen, good day and welcome to the Q1 FY '27 Earnings Conference Call of Hexagon Nutrition Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Dr. Nikhil Kelkar, Joint Managing Director. Thank you, and over to you, sir.

Nikhil Kelkar: Good evening, everyone. Am I audible to all -- I hope I am audible to all of you. A very, very warm welcome to all our shareholders, analysts, institutional investors, member of the investment community, and everyone joining us today for Hexagon Nutrition Limited's Q1 FY '27 earnings conference call.

This quarter marks an important milestone for us as it's our first quarterly results announcement following our successful listing on the BSE and the NSE in June 2026. On behalf of the entire management team, I would like to thank our shareholders, customers, employees, partners, and all our stakeholders for their continued confidence and support.

We are pleased to have started FY '27 on a very strong note with a healthy year-on-year growth in both revenue and profitability. For the quarter one of FY '27, our consolidated revenue from operations stood at INR104.3 crores, registering a growth of 43.2% comparing with INR72.9 crores in Q1 of FY '26.

Our EBITDA stood at INR11.8 crores, representing a year-on-year growth of 17.3%, while profit after-tax stood at INR8.1 crore, registering a growth of 25.1% over the corresponding quarter of the previous year. We believe this performance reflects the continued demand for our nutrition solutions and the progress we are making across our domestic and international markets.

Let me briefly touch upon the broader opportunity that we see for the business. Nutrition is increasingly becoming an integral part of healthcare and wellness. Rising awareness around preventive healthcare, balanced nutrition, immunity, active lifestyles, and specialized nutrition requirements is creating a structural opportunity for this industry.

At Hexagon Nutrition, our diversified portfolio enables us to participate across multiple segments of this opportunity. Our business spans micronutrient premixes, clinical nutrition, therapeutic nutrition, food fortification, and consumer nutrition. This diversification gives us the ability to serve customers across different applications and markets.

Our focus continues to remain on building a diversified and scalable nutrition platform. Research and development remains at the core of our business. We continue to invest in developing innovative formulations and nutrition solutions that address evolving customer and healthcare requirements.

At the same time, our manufacturing facilities provide us with a strong foundation to serve both domestic and international customers while maintaining our focus on quality, consistency, and operational efficiency.

Our international presence is another pillar of our growth strategy. We currently serve customers across more than 70 countries, giving us a diversified geographical footprint and opportunities to further expand our presence in the international markets.

We also continue to see significant potential in our clinical and functional nutrition businesses as consumer awareness around specialized nutrition continues to increase. As we move through FY '27, our priorities remain focused on sustainable revenue growth, strengthening our international presence, innovation-led product development, operational efficiencies, and disciplined capital allocation.

We believe the structural drivers supporting the nutrition industry remain strong, and our diversified portfolio, R&D capabilities, manufacturing infrastructure, and customer relationships position us well to participate in these opportunities.

With that, I would like to now hand over the call to our Managing Director, Mr. Vikram Kelkar, who will take you through the operational performance and key business initiatives during the quarter. Thank you.

Vikram Kelkar: Thank you, Dr. Nikhil. Good evening, everyone. Let me take you through the operational performance and key developments across our businesses during the quarter. As Dr. Nikhil mentioned, we have started FY '27 with strong revenue momentum. Our diversified business model remains central to our strategy, with our operations spanning micronutrient premixes, clinical and wellness nutrition, therapeutic nutrition, and food fortification.

Let me begin with our micronutrient premix business. Premixes continue to be an important growth engine for Hexagon Nutrition. We work with the customers across food, pharmaceutical, and other industries, providing customized blends of vitamins, minerals, and other nutritional ingredients.

We continue to see structural opportunities in this business, driven by increasing awareness around nutrition and fortification as well as the growing adoption of fortified food products. The increasing focus on nutritional security and fortification, both in India and globally, provides a favorable environment for organized players with strong formulation, manufacturing, and quality capabilities.

Coming to our clinical and wellness nutrition business, our PentaSure franchise continues to be an important part of our branded nutrition portfolio. We see significant headroom for growth in the clinical nutrition and wellness market, and we are continuing to strengthen our presence through our sales and distribution network. We are also focusing on increasing the penetration of our other branded products, especially PediaGold and Obesigo.

As discussed during our previous earnings interaction, we are expanding our reach beyond Tier 1 markets and increasing our presence in Tier 2 and Tier 3 cities. This expansion is being supported by strengthening our sales force and distribution network. We are also working towards increasing our presence across e-commerce, e-pharmacy, and digital channels, alongside our medical marketing initiatives.

We believe these initiatives will help us to improve our brand awareness, increase consumer reach, and build our branded nutrition portfolio over the medium to long-term. Our therapeutic nutrition and ESG business also remains strategically important.

This includes ready-to-use therapeutic foods, ready-to-use supplementary foods, and micronutrient powders, which address important nutritional requirements across different geographies. The tender-based nature of a part of this business means that order flows can vary between quarters. However, we continue to see the opportunities in this segment and remain focused on building a healthy order pipeline.

Coming to our international business, exports remain an important component of our overall business. Our geographical diversification provides resilience and allows us to participate in multiple markets. As we had stated in our previous earnings call, the geopolitical situation in the West Asian region has not materially impacted our business. Our exports are diversified geographically and West Asia contributes less than 20% of our total exports. We therefore continue to see the opportunities to expand our international presence while maintaining a disciplined approach to market selection and customer relationships.

On the manufacturing side, we continue to focus on improving capacity utilization and operating efficiencies. Our existing manufacturing infrastructure provides sufficient headroom to support future growth, while allowing us to accommodate incremental orders and tender opportunities. We will continue to optimize our manufacturing operations, improve productivity, and maintain stringent quality standards at volume scale.

Another important area of focus remains R&D and new product development. Nutrition is a constantly evolving field, and we believe our ability to develop differentiated formulations and respond to changing customer requirements will remain an important competitive advantage. We continue to evaluate opportunities across our existing product categories as well as the new areas that complement our capabilities.

Overall, we remain encouraged by the opportunities across our businesses. Our focus for FY'27 will remain on strengthening our core businesses, expanding our branded portfolio, increasing our international footprint, improving capacity utilization, and continuing to invest in innovation. We believe these initiatives will help us build a stronger and more diversified nutrition platform over the coming years.

With that, I would like to hand over the call to our Chief Financial Officer, Mr. Soman Jana, who will take you through the financial performance for the Q1 FY '27 in greater detail. Thank you very much.

Soman Jana: Thank you Mr. Vikram. Good evening, everyone. I would take you through the financial performance of Hexagon Nutrition for the first quarter of FY '27. We have started the financial year with strong year-on-year growth across our key financial parameters.

For Q1 FY '27, our consolidated revenue from operations stood at INR104.3 crore, compared with INR72.9 crores in Q1 FY '26, representing a year-on-year growth of 43.2%. This growth reflects the continued demand across our diversified portfolio and our ability to serve customers across domestic and international markets.

Our gross profit for the quarter stood at INR45.8 crore, compared to INR34.1 crores in Q1 FY '26, representing a growth of 34.1%. At the operating level, EBITDA stood at INR11.8 crores compared with INR10.1 crores in Q1 FY '26, representing a year-on-year growth of 17.3%.

Our EBITDA margin stood at 11.3% during the quarter compared with 13.8% in Q1 FY '26. The movement in EBITDA margin needs to be viewed in the context of the business and the product mix during the quarter, along with the investments being made to support our next phase of the growth. We remain focused on improving operating leverage as the business scales and on maintaining an appropriate balance between the growth and the profitability.

Profit before tax stood at INR10.6 crores during Q1 FY '27, registering a year-on-year growth of 25.1%. Profit after-tax stood at INR8.1 crore, compared with INR6.5 crores in Q1 FY '26, representing a growth of 25.1%. PAT margin stood at approximately 7.7% during the quarter.

Overall, we are pleased that the strong revenue growth during the quarter has translated into a healthy growth in absolute EBITDA and the PAT. From a cost perspective, we remain focused on improving operational efficiency, productivity, and resource utilization across our manufacturing and business operations. As the business scales, we expect better utilization of our existing infrastructure to support the operating leverage. Our approach towards the capital allocation also remains disciplined.

We will continue to prioritize investments that support long-term growth, including R&D, product development, manufacturing capabilities, market expansion, and strengthening our distribution network. As we enter a new phase as a listed company, maintaining a financial discipline and creating sustainable value for our shareholders will remain key priorities for us.

Looking ahead, our focus will be on sustaining the growth momentum, improving operational efficiencies, strengthening our product mix, and continuing to build a diversified and scalable nutritional platform. With the strong portfolio across micronutrient premix, clinical nutrition, therapeutic nutrition, and consumer nutrition, we believe we are well positioned to participate in the long-term growth opportunity in the nutrition sector.

With that, I would like to hand the call back to the moderator for the question-and-answer session. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. We take the first question from the line of Sparsh Bedmutha from Perpetual Capital Advisors. Please proceed.

Sparsh Bedmutha: Hi, am I audible?

Dr. Nikhil: Yes.

Sparsh Bedmutha: Thank you for the opportunity and congratulations on good numbers.

Dr. Nikhil: Thank you.

Sparsh Bedmutha: So I wanted to know how concentrated is our export revenue among your top three markets, three, five markets? If two, three are like under delivered, what's the earning sensitivity we are looking at?

Mr. Soman : So overall export market, if we see the concentration for the top three countries you are saying, right?

Sparsh Bedmutha: Yeah, three to five.

Mr. Soman: So it will be around 25% to 40% range of the initial top five countries we can mention.

Sparsh Bedmutha: Okay. Thank you. My next question would be, our capacity utilization around 30% overall. Is that like across segments or is clinical nutrition already running hotter than like premix and RUF? What's the next bottleneck if the segment keeps on growing?

Dr. Nikhil: Sorry, you said that last time the – our capacity utilization was 30%. Is your question on that? There was a bit of lag in your question. And you want to understand the capacity utilization as of now, is – am I correct?

Sparsh Bedmutha: Yes, yes. And is it just coming from...

Dr. Nikhil: So, sir, your voice…

Sparsh Bedmutha: Am I audible now?

Dr. Nikhil: Yes, you are audible but your voice is cracking a bit. Please go on. Please go on. Yes.

Sparsh Bedmutha: So I also wanted to ask is it majorly like capacity utilization is coming from clinical nutrition or are other products also contributing to it?

Mr. Soman : Okay, Sparsh, I will like to answer this. So major of my capacity utilizations comes from the premix part, which contributes more than of my 50% revenue in the total segment. Okay. And then it comes from the branded segment.

Sparsh Bedmutha: Okay.

Mr. Soman: So overall, capacity-wise we have seen a volume growth this quarter, which representing around 47% of total capacity utilization at this stage.

Sparsh Bedmutha: Okay. So now our current capacity utilization is 47%?

Mr. Soman: 47%, yes.

Sparsh Bedmutha: Okay. And my last question would be, what kind of revenue growth are you guiding for this year, FY '27?

Mr. Soman: So this year we will be keeping a same growth trajectory what we have posted last year, around 20% to 25% growth range we will be trying to keep.

Sparsh Bedmutha: Okay. Got it. Thank you.

Mr. Soman: Thank you.

Moderator: Thank you. We take the next question from the line of Mayuresh Raut, an individual investor. Please proceed.

Mayuresh Raut: Yes, thank you for the opportunity, sir. So I have a few questions. Sir, which business segment...

Moderator: Sorry to interrupt Mr. Mayuresh, I would request you to speak a bit louder as your voice is coming a bit low.

Mayuresh Raut: Okay, now is it clear?

Dr. Nikhil: Better.

Mayuresh Raut: Yes. So my first question is that which business segment offers the largest opportunity for you over the next three to five years?

Dr. Nikhil: So the branded segment is the one which we believe that is the fastest growing segment. So even in this quarter we have grown about 28% as compared to the last year same quarter. So and if you see the previous years' trajectory, overall our branded share has increased from in the total revenue from 18% to 20%, 25% and to almost 30% now. So this is the one which I would like to focus on as far as your question is concerned. Thank you.

Mayuresh Raut: Sir, another question, so how is the revenue mix going to evolve like and what does that imply for the margin profile? Like how do you see the margins evolving as well?

Mr. Soman: So Mayuresh to answer first your query what is the revenue mix for the segment, so I can just mention that branded business contributes for this quarter contributes around 28% of my total revenue. Then premix business gives me around 62% of the revenue, and the remaining therapeutic segment that is the ESG contributes around 10%. So that is the revenue mix. And next query point was about the gross margin, right?

Mayuresh Raut: Yes. And I wanted to know actually how we are expecting the revenue mix to evolve as well in the given segments?

Mr. Soman: Okay. Given that so all our three segments will continue to grow in the coming quarters, there is a strong order book and the visibility is there for us. But from the management side, definitely we look across that the branded business will show definite growth of around last – as whatever the last year the growth turnover was there, it will show the segment-wise same growth there. Maybe better from that perspective.

Mayuresh Raut: Okay. And sir, how is the traction developing in newer therapy areas such as like fertility, healthy aging and women's health categories?

Dr. Nikhil: Yes, so we have started focusing on those segments, our fertility nutrition is from primarily we have developed for our export markets, so as we keep on entering the newer markets we are introducing those products there. And as far as the focus on women's nutrition is concerned, last year we launched a product Neutron Women for that, which is available online primarily. So it's still in the infancy stage. So we will keep on nurturing that as we go along.

Mayuresh Raut: Okay. So also – so how quickly are we seeing that B2C scale towards 35% of revenue? And – yes, that is...

Dr. Nikhil: Sorry, I didn't understand the question. Can you repeat?

Mayuresh Raut: Do we see our B2C scale towards 35% plus growth of revenue?

Dr. Nikhil: When will we get the branded business of 35% of total revenue, is that your question you are asking?

Mayuresh Raut: Yeah, how quickly?

Dr. Nikhil: How quickly? That's a very good question. So in the next couple of years we expect that to go to that 35% mark.

Mayuresh Raut: Okay sir, yes, yes. That's it from my end. Thank you, sir.

Dr. Nikhil: Thank you.

Moderator: Thank you. We take the next question from the line of Akhilesh from Ampersand Capital. Please proceed.

Akhilesh: Hello. Hi sir. Thanks for the opportunity. Sir, just wanted to understand your Q1 was 43% growth and you are guiding for like 20%, 25% growth. So do we expect any slowdown in the upcoming quarters?

Dr. Nikhil: You are asking that is there going to be a slowdown in the upcoming quarters?

Akhilesh: Yes. Yes. Because your guiding for 20%, 25% growth, right, but your Q1 was substantially higher than that, 43%.

Dr. Nikhil: No, in fact our Q2 is very strongly supported by a strong order book of around INR100 crores. Okay. So there is definitely no sign of a slowdown in the quarter two. And as far as your question on the quarters is concerned, usually if you see our historic quarters also, in the last four, five years, if you track the numbers, the first two quarters are always there to gather the momentum.

But the main growth comes in the third and the fourth quarters. So you will see that across, that seasonality you will see in this kind of, in our this seasonality aspect you will have to consider in our business. Which is…

Akhilesh: So could you explain your seasonality a bit more?

Dr. Nikhil: Yes, so that's what. So Q1 and Q2, as I said, they – you generally see that they are used to gather the momentum, and then when the momentum picks up Q3, Q4 you get – start getting that higher rise in that the revenues.

Akhilesh: Got it. So…

Dr. Nikhil: And that is historically it is proven. I mean, if you see the – go back and see the previous years also.

Akhilesh: Yes. So I don't have the previous year quarter numbers, but yes, from what I understand basically what you're guiding is that – so your 20%, 25% growth might be a bit on the conservative side, if I am not wrong?

Mr. Soman: Yes, basically you can say for conservative side is 20%, 25% growth.

Akhilesh: Okay. And sir this quarter we saw some gross margin contraction. So what was the reason for that?

Mr. Soman: So, if you see the gross margin has contracted by more than 3% compared to last year quarter. The major reason is the West Asia crisis where we have seen few of our critical raw materials in our segments in premix as well as branded has seen a rise in the cost. Okay. So that has really impacted us.

But from the management side, we have definitely taken a call to pass on to the customers in an appropriate manner in the coming quarters. And this is a global impact, so we can expect that to remain, but the all the necessary steps are being placed into system right now.

Dr. Nikhil: To protect the margins.

Mr. Soman: Yeah.

Akhilesh: Got it. So from Q2 onwards, you will be back to normal track in terms of gross margin, if I am not wrong.

Dr. Nikhil: Hopefully, yes.

Akhilesh: Okay. And sir can you also split your sales into price and volume in terms of what was the price growth this quarter and what was the volume growth?

Mr. Soman: Sure. So overall, if you see the volume mix, the volume has grown roughly around 25% to 40% for this quarter. Okay. 25% to 40% this quarter the volume has grown compared to last year's

Q1. So we have seen the volume growth in both our premix as well as branded segments over the compared to last year.

Akhilesh: Got it. Got it. And the rest would be price – so not a lot of price hikes in that case?

Mr. Soman: No, no. Price hike is not the main criteria with which we have risen it. So but we have taken eventual call in increasing our few of our branded products since the raw material price has risen. So the MRP of few of the products we have increased. So the impact we will definitely see in the Q2 on our margin. Approx 10% to 15% we have increased our MRP. So that will see a impact in the Q2 onwards.

Akhilesh: Got it. Thank you, sir. That's all from my side.

Dr. Nikhil: Thank you.

Moderator: Thank you. We take the next question from the line of Abhishek Maheshwari from Skyridge Fund Managers LLP, please proceed.

Abhishek Maheshwari: Hi, thank you for taking my question. I wanted to know regarding other expenses...

Moderator: I would request Mr. Abhishek to please speak a bit louder as your voice is coming a bit low.

Abhishek Maheshwari: Alright. I wanted to understand about other expenses. The sharp increase there, was it primarily due to ocean freight and power and fuel, or there were other increases too?

Mr. Soman: You are absolutely right Mr. Abhishek. The increase is on account of selling and distribution. Predominantly on the freight part. Our freight cost has increased due to this geopolitical impact. And overall if you see, we have also done a strategic investment in our selling and distribution, in the sales promotion, marketing. So there my expenditure has a little bit increased. We considered it as an investment at this moment.

Mr. Soman: Just to add what our Vikram has mentioned, that we are increasing our footprint from Tier 1 cities to Tier 2 and Tier 3 cities, so we have invested more than 50% in the field force capabilities on the ground. And that has bring impact in our employee expenditure also. But definitely this investment will give us a positive impact in the coming quarters as we increase our reach.

Abhishek Maheshwari: Alright. Good to know.

Mr. Soman: Thank you.

Dr. Nikhil: Thank you.

Moderator: Thank you. We take the next question from the line of Varun, an individual investor, please proceed.

Varun: Hello.

Dr. Nikhil: Yes. Hello. Good afternoon.

Varun: So my first question is on cash flow. Like how did operating cash flow and free cash flow perform in the first quarter?

Mr. Soman: So operating cash flow has performed better compared to last year. Hello

Varun: Yes. Hello, hello, am I audible?

Mr. Soman: Yeah, audible. So by operating cash flow has improved compared to last year Q1.

Varun: Yes. So has the cash conversion issue seen in FY '26, has it been improved?

Mr. Soman: Yeah, it has improved. So there was a large scale of shipments in the ESG and the premix segment which has improved this quarter. So major of our outstanding has been recovered.

Varun: Okay. And what happened to inventory days and receivable days? Like when do you expect working capital to normalize?

Mr. Soman: So our inventory days has, overall, you can say it remains more or less same because we have a good order book positions for the remaining coming quarters. So inventory days still stands around 142 days as on the Q1. Okay.

Varun: Okay.

Mr. Soman: Compared to last year, around 130 plus days. So because we have a order book position in our ESG segment and the premix segment for which we are required to stock critical inventories and considering the rise in the product prices, few of strategic calls also we are taking to have some strategic inventory in our, in our books.

Varun: Okay, perfect, sir. And like, were there any changes in customer credit terms or inventory stockings or procurement strategy during the quarter?

Mr. Soman: No, no, there is no major change in our credit terms with the customers or the vendors.

Varun: Perfect, sir. Just last question from my end, like what is the expected FY '27 capex? What return and utilization thresholds are being used to approve new investments?

Mr. Soman: So overall capex -- so as you are aware that one strategic, there is a demolition happening at our Nashik factory for our premix facility, and it is redeveloping with the new infrastructure, for that we will be incurring a capex roughly around INR25 crores to INR30 crores in the coming one year or maybe one and a half years. But we are taking a strategic call in terms of having a long term borrowing from the bank to the tune of 70% of total capex. So that will not impact much to our operating or our ongoing cash flow.

Varun: Okay. Thank you so much, sir. All the very best.

Dr. Nikhil: Thank you.

Mr. Soman: Thank you.

Moderator: Thank you. We take the next question from the line of Urvija Shah from Isha Securities, please proceed.

Urvija Shah: Hello.

Dr. Nikhil: Yes.

Urvija Shah: Yeah, congratulations sir for a good quarterly result, being your first one. So you mentioned the order book a couple of times, so can you let me know the current order book?

Dr. Nikhil: Yeah, so like I said, the current order book stands at INR100 crores.

Urvija Shah: And it is executable over how much period of time?

Dr. Nikhil: This is for the -- that it will be executed in the second quarter and partly in the third quarter.

Urvija Shah: Okay. So this order book predominantly is, can you explain more because we have a couple of categories here. So predominantly over which area?

Dr. Nikhil: So around 70% to 75% is amongst the premix and ESG, and the rest is with the branded segment.

Urvija Shah: Premix and -- okay. Okay. My second question is what is our capacity utilization currently across our dry and powder and premixes categories?

Mr. Soman: Okay Urvija I can give you a blended one for your better understanding at this stage. Okay. So overall capacity utilization is run around 40% to 47% at this moment. Whereas premix, we have three facilities in India, as you are aware, so every facility is showing a growth in the capacity utilization. So overall if I can just mention the branded business has also shown a growth in the volume and the capacity is also rising at this Q1 level. Same goes with the premix and the other ESG part.

Dr. Nikhil: And also it is important to note that this capacity utilization when we talk about, it is across these segments where these the packaging differs from segment to segment. So for example I will give you in the premix segment the packaging is done in 25kg bags, while as in the branded segment it will go from anywhere 1 gram sachet to 20 gram sachets to 400 gram tins to you know 1kg tins.

So the, the premix you know, kind of capacity utilization is slightly different in that and the in the branded segment it takes more time for the packaging. So these all factors we have to, consider when we see this blended segment as well.

So some of them, what I mean to say in that, that some of the segments might be more utilized than the actual blended capacity utilised, some will be around, right now Soman said that it's 47% blended, so some might be operating at 65%, some might be operating at 35% to 40% also, some might be 55% also. So this is the one which I want to all our investors and analyst friends to consider whenever they consider our company capacity utilization. Thank you.

Urvija Shah: Right, right, sure. Thank you. Okay, that's it from my side for now.

Moderator: Thank you. We take the next question from the line of Mira Mittal, an individual investor, please proceed. Hello.

Dr. Nikhil: Yes, please.

Moderator: Mira, we are not able to hear you. I would request you to unmute and then speak.

Mira Mittal: Hello, good evening sir. Am I audible?

Dr. Nikhil: Yeah, please. Yeah, yes you are.

Mira Mittal: Yeah. So sir I just have two questions. So what was the order inflow from UNICEF and other UN agencies, NGOs and government nutrition programs during Q1?

Mr. Vikram: Yeah right, so we have got a good order book from the national governments of certain countries. So we are continuing the production for that now.

Mira Mittal: Okay, sir. And sir, what is the current ESG order pipeline and how much revenue visibility does it provide for the balance of this financial year?

Mr. Vikram: Right. So we will be looking at around INR75 crores to INR100 crores. For the year. Yeah.

Mira Mittal: For the remaining year.

Mr. Vikram: For the year. Yeah

Mira Mittal: Okay. Okay sir. Thank you sir. That would be all from my side.

Dr. Nikhil: Thank you.

Moderator: Thank you. We take the next question from the line of Kamal Jeswani: from UFirst Capital, please proceed.

Kamal Jeswani: Yeah hi. Thank you for taking my question. Congratulations on a good set of numbers. I wanted to know what is, I mean, the raw material which we purchase, are all domestically procured or there are some imports also there?

Mr. Soman: So, we have around 25% to 30% of the raw materials which we are procuring internationally, and major of the raw materials we are procuring domestically.

Kamal Jeswani: Okay, and how has the pricing been in the last one quarter of the international procurement, and I think you had mentioned earlier that the freight also has impacted. So I guess the cost of raw materials imports would have gone up, I guess.

Mr. Vikram: Yeah. So certain raw materials like whey proteins, they have seen an upsurge in the, in terms of the cost. While as certain other vitamins, have remained stable.

Kamal Jeswani: Okay. Also I was seeing that you all have plans to launch plant-based nutritional alternatives. So by when are you planning and I guess the raw material for those also are, one has to procure imports, through imports, I guess. It's not available in India I guess.

Dr. Nikhil: Right, right. So as of now, we don't have any immediate plans of entering plant nutrition segment, but a few products we are trying to develop in the pipeline.

Kamal Jeswani: Among the ones which you mentioned, five, six categories, you were saying.

Dr. Nikhil: Sorry?

Kamal Jeswani: Among the five, six categories you have mentioned in the presentation, right?

Dr. Nikhil Yes, yes, but like I said, not in the immediate near future we have any plans from the --for the plant nutrition segment. Okay.

Kamal Jeswani: Okay, okay, got it. Thank you.

Dr. Nikhil: Thank you.

Moderator: Thank you. We take the next question from the line of Poshita Shetty:, an individual investor, please proceed.

Poshita Shetty: Hello. My question is in context to export. So I wanted to ask is your international growth primarily coming from the deeper penetration in the existing markets or there are new entrants this time?

Mr. Vikram: Yeah, so we are looking at a good growth in areas like Central Asia and also Africa. And going forward we are also looking for newer geographies which include Europe and North America.

Poshita Shetty: Got it, understood. Thank you. That answers my question.

Dr. Nikhil: Thank you.

Moderator: Thank you. We take the next question from the line of Manasvini Mukherjee from Oracle Investments, please proceed.

Manasvini Mukherjee: Hello, sir. I hope I'm audible. I wanted to know what was the capacity utilization across Nashik, Chennai, Uzbekistan facilities, especially in this quarter. And then how would you compare it to say FY '26?

Mr. Soman: Okay, that's a good question Manasvini. So Nashik we can say the capacity will be ranged roughly around 55% to 60%. And Chennai will be ranging around 25% to 30%. And Tuticorin will be around 35% to 40%.

Manasvini Mukherjee: And Uzbekistan would be?

Mr. Soman: Uzbekistan has just, we have a few order book position which are to be delivered in quarter two and quarter three. So it is not that major to just mention.

Manasvini Mukherjee: Okay, that makes sense. So we can say that Nashik would be the highest available capacity then.

Mr. Soman: Absolutely right ma'am.

Manasvini Mukherjee: Okay, perfect. Thank you so much.

Mr. Soman: Thank you.

Moderator: Thank you. We take the next question from the line of Yash Parkar from Patel Investments, please proceed.

Yash Parkar: Hi sir, am I audible?

Dr. Nikhil: Yes, you are. Thank you.

Yash Parkar: Thank you so much for the opportunity and congratulations on a great set of numbers, sir.

Dr. Nikhil: Thank you.

Yash Parkar: Sir, so I have a question that our company is simultaneously investing behind B2C brands, expanding exports, scaling the underutilized manufacturing capacity as well, and creating new categories. According to you, sir, what are the biggest constraints of growth over the next two to three years? Would it be demand generation, manufacturing capacity, working capital, or something related to distribution?

Dr. Nikhil: So that's a good question. So as far as manufacturing capacity is concerned, I think we have enough for the next two to three years to really scale up. So that's not a problem. Working capital is also very well managed with our debtors control and our inventory also, so that also I don't see a problem. Distribution, as you said that, we are planning to expand our distribution network because as we said earlier that we are going into Tier 2, Tier 3 cities.

We have appointed special field force to cover these particular territories. So along with that, the distribution network is also increasing. And we have started that in the first quarter, maybe May or June the people are on board. So we might see in the couple of quarters that they, they will start becoming productive and the operating leverage will also kick in at that stage.

Plus as our, you said, you touched also upon on the capacity utilization which has grown last year from 30% to now 47%, so that also operating leverage will start kicking in now in the next couple of quarters, more and more you will see of that. So we don't see any challenges from that point of view in our businesses.

Yash Parkar: Right sir. Sir, and on B2C, you have already crossed INR100 crores of revenue. Congratulations on that. And you are targeting more than 35% of the overall mix. What is the right way to think about the B2C growth trajectory from here? And how much of this growth will come from the existing brands like PentaSure versus newer brands such as Nutrone and Obesigo?

Dr. Nikhil: Obesigo

Yash Parkar: Yeah.

Dr. Nikhil: So PentaSure still remains the biggest category of the brand, okay. From where because we have 12 different brand extensions in that. And along with that, so that will still remain the bigger, while as the others will -- we are focusing on that to grow that is the PediaGold and Obesigo what you mentioned. Nutrone is a brand which is mainly we are focusing online, okay. And as you talked about the revenue of this 35%, I think within the couple of years we will be able to achieve this revenue mix, we will be able to reach B2C or branded segment at 35%.

Yash Parkar: Right. And sir the Uzbekistan facility, it appears to have a significant headroom, particularly in the dry premix. So what is the strategy to ramp up this facility? Will it be catering to the local Central Asian demand or will it be increasingly to become like an export hub?

Mr. Vikram: Right. So the strategy behind our Uzbekistan facility is to cater to the domestic requirement of the country as well as the export to all the neighboring countries, all the 'stans' in Central Asia as well as Russia. I hope that answers the question

Yash Parkar: Yes sir. And sir, your D2C contribution is currently around 6.5%. So as you scale up the e-commerce and increase the HCP engagement, how do you see the channel mix evolving? Also how should we expect any near term pressure on margins because of higher brand building and custom acquisition cost?

Dr. Nikhil: So we are strengthening our e-commerce business, our digital business with the social media initiatives. Okay, we have a social media handle PentaSure Nutrition, you can follow that and you will get all the updates as well what we do on the social media, we engage with a lot of different influencers, fitness influencers, mom influencers, so on and so forth to really create more buzz for our digital channels.

Also, if you go and see right now the Freedom Sale is going on Amazon, so we do a lot of engagement on Amazon, Flipkart, even the e-pharmacies Tata 1mg, Netmeds, so on and so forth. So we advertise on these channels, we create the buzz during the festivals, and we try to get this momentum of this -- the, the festivals what they run, now the next festival which you should look forward to is the GIF which is the Great Indian Festival of Amazon and Big Billion Days of Flipkart and so on and so forth.

So this business is bound to grow by leaps and bounds, we keep on increasing our, distribution centers there. So if you see that most of our orders are delivered, 85% of our orders are delivered within 24 hours. So we have a very strong fulfillment rate across all the portals.

Yash Parkar: Right sir. Sir last question from my end, I just joined the call late, but still like if you could answer. The revenue growth was quite good in quarter one but EBITDA margins declined meaningfully year-on-year. So could you help us understand the key drivers behind the margin compression? Was it largely product mix, raw material cost or like higher investments in the B2C business? And how should we think about the margin trajectory from here?

Mr. Soman: Okay, just before I answer this, so I would like to just take you to one particular point. There is a growth in our overall segment if you are seeing, there is a 43% growth compared to the last quarter Q1. If I drill down to the segment wise, I can see that the branded business has grown 22%, premix has grown 55%, and ESG has also grown 42% year-on-year. So the growth and the volume in all my three segment is going up. Okay.

So the after this growth also the pressure is predominantly because of the gross margin issue that we have already discussed in one of the questions. And we believe that the critical raw material prices geopolitically has gone up and that has created the pressure. But from the management side, we have taken an action over that how to mitigate those pressure on the gross margin. And we have increased our MRP from 10% to 15%. That will going to ease out the pressure in the gross margin the next two quarters, okay.

And coming to the other part, why our expenses has gone up, because of the freight cost. Due to the West Asia crisis this freight cost has risen up which has added to the pressure in our PAT impact. Whereas we have also done an investment on our field force. More than 50% of our field force have increased compared to last year Q1. And we see this as an investment which has impacted the bottom line at this moment, but definitely it will add value in the next coming quarters and it will also result a positive growth in the revenue also.

Dr. Nikhil: So these new people which are on board which they have just joined in May and June so it will take at least a couple of quarters for them to show the productivity. So by end of quarter three or something you can see that their operating leverage will also start kicking in. And as we are growing our -- we are better utilizing our capacities and we are growing our business, that operating leverage also you will see in the coming quarter. So we don't expect any to see any problem with that one.

Yash Parkar: Right sir. Thank you so much for patiently answering my questions. And all the best for future endeavors sir.

Dr. Nikhil: Thank you.

Mr. Soman: Thank you.

Moderator: Thank you. Ladies and gentlemen, we take that as the last question for the day and would now like to hand the conference over to Dr. Nikhil Kelkar, Joint Managing Director for closing comments. Over to you, sir.

Nikhil Kelkar: Thank you very much. Thank you everyone for your valuable questions, for taking the time to join our Q1 FY27 earnings call. We hope we have been able to provide you with a clear understanding of our quarterly performance, our business priorities, and the opportunities we see ahead.

We remain focused on executing our strategy with discipline, strengthening our businesses, and delivering sustainable growth and long term value for our shareholders. Should you have any further questions or require any additional information following today's call, please feel free to reach out to Saloni Nagvekar, our investor relations contact at adfactorspr.

Once again, thank you for joining us this evening. We continue, we forward, look forward to continuing our engagement with you throughout this year. Have a good evening and a happy Independence Day. Thank you.

Moderator: Thank you. On behalf of Hexagon Nutrition Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.