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IPO Note
4th June 2026

Hexagon Nutrition

Subscribe

Rating: Subscribe

Issue Offer

Total issue size: OFS - INR 1,389 Mn (30.86 Mn shares)

Issue Summary	
Price Band (INR)	42-45
Face Value (INR)	1
Implied Market Cap (INR mn)	5,530.5
Market Lot	333
Issue Opens on	5 June, 2026
Issue Close on	9 June, 2026
No. of share pre-issue	12,29,00,609
No. of share post issue	12,29,00,609
Listing	NSE / BSE

Issue Break-up (%)	
QIB Portion	≤ 50
Retail Portion	≥ 35
NII Portion	≥ 15

Book Running Lead Managers

Cumulative Capital Private Limited
Catalyst Capital Partners Private Limited

Registrar

KFin Technologies Limited

Shareholding Pattern	Pre-Issue	Post-Issue
Promoters	89.41%	64.30%
Public & Others	10.59%	35.70%

Incorporated in 1993, Hexagon Nutrition Ltd. is a research-driven nutrition company. It is engaged in developing and manufacturing products across micronutrient premixes, branded wellness and clinical nutrition, therapeutic formulations, and ready-to-use food. The company operates three manufacturing facilities in India, located at Nasik (Maharashtra), Chennai (Tamil Nadu), and Thoothukudi (Tamil Nadu), along with an international unit in Tashkent, Uzbekistan. Two Indian facilities are situated in SEZ zones at Chennai and Thoothukudi, providing strategic advantages such as proximity to ports and duty-free imports. Its product portfolio is classified into three segments: Branded wellness and clinical nutrition products (B2C), Premix formulations (B2B2C), Ready-to-Use Foods (RUFs) and Micronutrient Powders (MNPs) under ESG initiatives.

Hexagon Nutrition has a PAN-India omnichannel distribution network covering retail pharmacies, hospital networks, e-commerce platforms, online pharmacies, and its own branded websites including Pentasure, Obesigo, Pediagold, and Nutrone.

Investment Rationale:

A pure-play bet on India's chronic disease epidemic — a structural 30-year tailwind Hexagon Nutrition is positioned as a structural growth play within the Indian healthcare and nutrition landscape, driven by its unique "three-in-one" business model that integrates clinical nutrition, food fortification, and a proprietary premix segment. The company addresses critical health challenges in India—specifically diabetes, chronic kidney disease, and widespread malnutrition—by leveraging a high-barrier model that utilizes a network of over 20,000 doctors to drive product demand

Proven margin expansion story: The company has demonstrated significant financial improvement, with EBITDA margins expanding from 6.2% in FY23 to 14.1% in 9M FY26, signaling strong operational leverage. This growth is driven by a strategic mix shift toward higher-margin clinical nutrition products, which now constitute a larger share of total revenue. With a fixed cost base that supports scale, incremental revenue now flows more efficiently to the bottom line, confirming that the mechanism for sustained margin expansion is automated and effectively running.

Global malnutrition and food fortification as structural growth industries: Hexagon is deeply integrated into the global and Indian effort to combat malnutrition, benefiting from consistent, government-mandated demand for fortified foods. Through programs like POSHAN Abhiyaan and the global UNICEF supply chain, the company services institutional needs that remain robust regardless of economic cycles. Their established manufacturing footprint and ability to meet stringent, country-specific regulatory standards position them as a natural partner for global initiatives, ensuring a long-term growth trajectory in both domestic and international markets.

Valuation & Outlook: Looking ahead, Hexagon Nutrition enters the public markets with strong momentum, underscored by a proven trajectory of margin expansion and a solid 9M FY26 performance. Outlook is characterized by a "three-in-one" business model that is well-aligned with secular, government-backed growth trends in health and food fortification. However, sustained success will depend on managing key risks, including its high dependency on the premix segment, customer concentration, and the need to navigate operational complexities such as the reconstruction of its Nashik facility. With a strategic focus on expanding its global reach and capitalizing on institutional demand from entities like the UN, Hexagon is positioned as a research-led, specialized player in a nutrition sector that is becoming increasingly central to public health policy both in India and abroad. **At the upper band of INR 45, the issue is valued at a P/E ratio of 15.34x, based on annualized EPS of INR 2.93. We are recommending a "Subscribe" rating for this issue.**

Particulars (INR Mn)	FY23	FY24	FY25	9MFY26
Revenue	2,785	2,977	3,249	2,676
Growth (% YoY)		*6.9%*	*9.1%*	
EBITDA	172	249	401	376
Margins	*6.2%*	*8.4%*	*12.3%*	*14.1%*
PAT	58	122	244	270
Margins	*2.1%*	*4.1%*	*7.5%*	*10.1%*

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Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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