



Investor Presentation

Q2 & H1FY21



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Agenda



- 01 Q2 & H1FY21 Highlights
- 02 About the Company
- 03 Industry Drivers & Growth Strategy
- 04 Historical Financial Overview

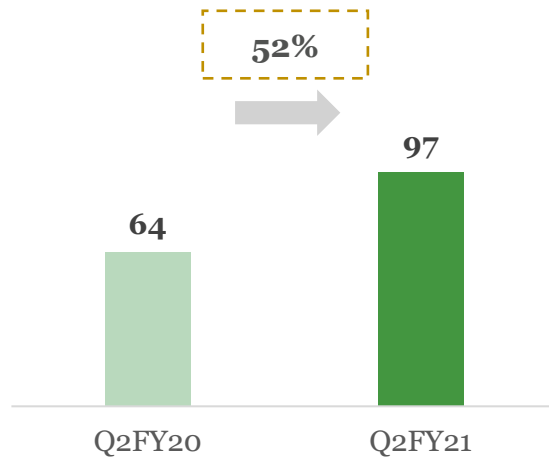
Q2 & H1FY21 Highlights



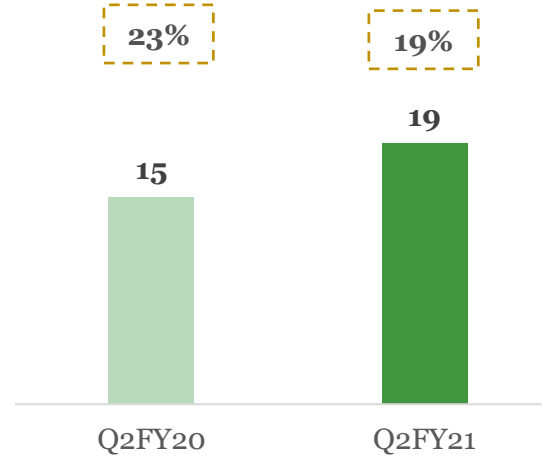
Q2 & H1FY21 result highlights

Quarter performance

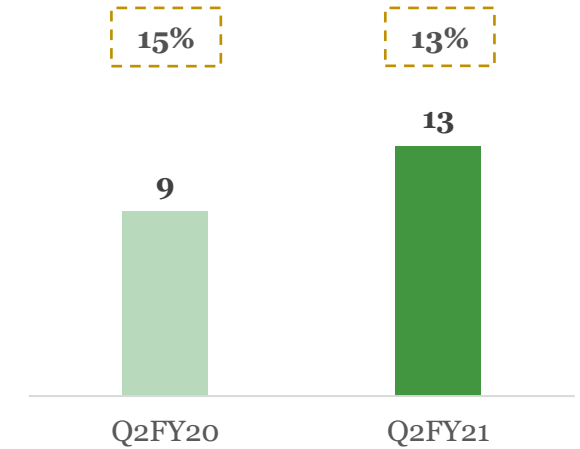
Total Income



EBITDA & EBITDA Margin

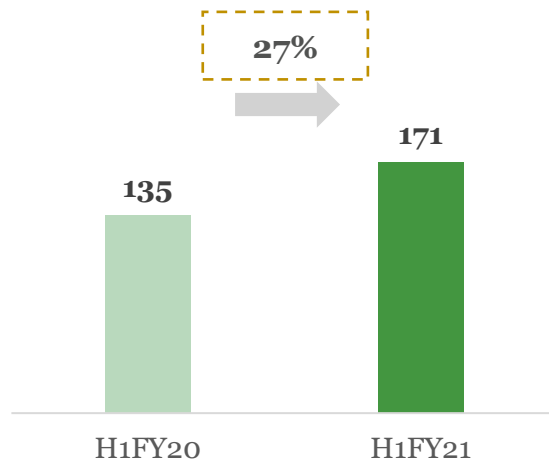


PAT & PAT Margin

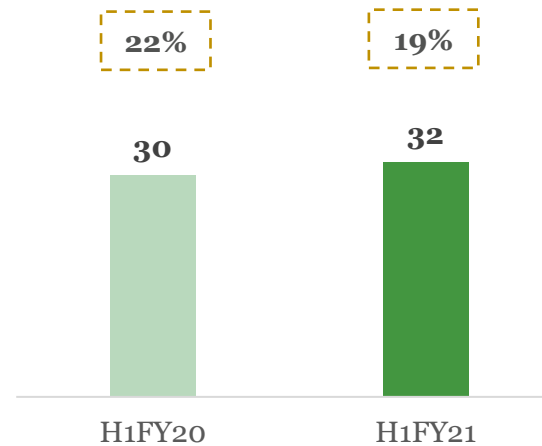


Half-year performance

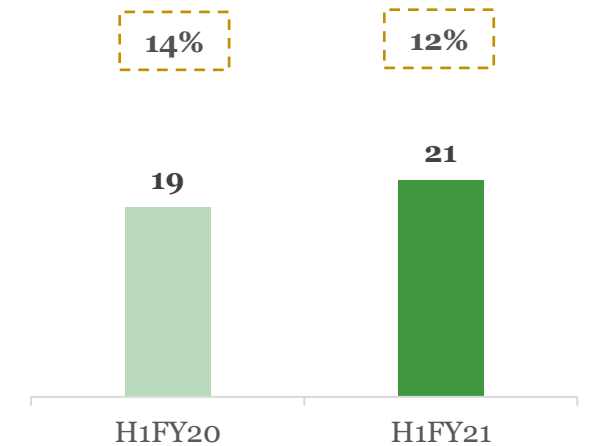
Total Income



EBITDA & EBITDA Margin



PAT & PAT Margin



Consolidated profit & loss statement

(Rs Cr)	Q2FY21	Q2FY20	YoY	H1FY21	H1FY20	YoY
Revenue from operations	94.3	60.2	57%	168.2	129.1	30%
Other income	2.5	3.5		3.1	5.5	
Total Income	96.8	63.7	52%	171.3	134.6	27%
Cost of material consumed	27.4	16.1		49.5	38.6	
Purchase of stock-in-trade	23.6	12.2		46.4	33.0	
Changes in inventories	4.9	2.0		5.0	-5.2	
Employee expenses	3.5	3.9		7.4	9.5	
Other expenses	18.8	14.7		31.3	28.7	
Total Operating expenses	78.2	48.9		139.6	104.6	
EBITDA	18.6	14.8	26%	31.7	30.0	6%
EBITDA margin	19.2%	23.2%		18.5%	22.3%	
Finance cost	0.2	0.3		0.6	0.5	
Depreciation	1.5	1.3		2.9	2.7	
PBT	16.9	13.1	29%	28.2	26.8	5%
PBT margin	17.4%	20.6%		16.5%	19.9%	
Exceptional items	0.0	0.2		0.0	-0.4	
Tax Expenses (Credits)	4.3	4.0		7.0	7.9	
PAT	12.6	9.3	35%	21.2	18.5	15%
PAT margin	13.0%	14.6%		12.4%	13.7%	

Post the quarter, the Company has allotted 19.5L warrants to promoters, Board members and company officials at Rs 362 per warrant, aggregating to Rs 70.6 crores

Consolidated balance sheet

(Rs Cr)	Sept'20	Mar'20
Share Capital	20.4	20.4
Reserves	206.8	184.0
Shareholders' Funds	227.2	204.4
Other liabilities	0.7	1.6
Deferred tax liability	7.6	7.1
Total Non-Current Liabilities	8.3	8.7
Trade Payables	20.5	21.2
Other Current Liabilities	11.1	11.0
Current Tax Liabilities	0.3	0.3
Other Financial Liabilities	2.1	3.1
Short Term Borrowings	13.0	23.2
Total Current Liabilities	47.0	58.8
Total Liabilities	282.5	271.9

(Rs Cr)	Sept'20	Mar'20
Fixed Assets incl. CWIP	57.2	58.2
Intangible Assets	21.3	21.4
Income Tax Asset (Net)	4.7	4.6
Other Non Current Assets	6.5	10.2
Total Non-Current Assets	89.7	94.4
Inventories	51.2	54.7
Sundry Debtors	55.8	53.1
Cash and Bank	60.1	36.7
Investments	13.9	18.0
Other Financial Assets	5.1	7.3
Other Current Assets	6.7	7.7
Total Current Assets	192.8	177.5
Total Assets	282.5	271.9

Capacity expansion by taking new unit on lease

- The Company has taken a manufacturing unit in Gujarat on lease
- The facility, with a production capacity of 1,950 MTPA, will enable to increase the capacity for ready-to-eat and frozen food products to cater to the growing demand in the export markets
- The expansion would entail a capex of Rs 2 crore and is expected to be operational in the next 4 months
- This leasing option saves time and building construction costs, allowing the Company to move forward with its expansion plans more effectively and timely

About the Company

“ At ADF we believe in maintaining high quality standards, introducing new and innovative products while remaining customer centric ”



Company highlights

Operational strengths

7
Brands

55+
Countries

180+
Distributors

2
State-of-the-art Facilities

400+
SKU

26,000
MTPA Capacity

Financial strengths

Zero
Long Term Debt

21%
EBITDA Margin

14%
PAT Margin

23%
Return on Equity

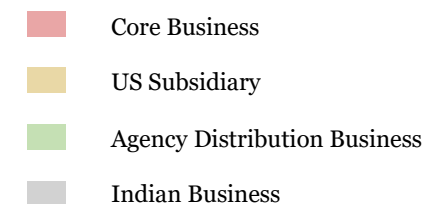
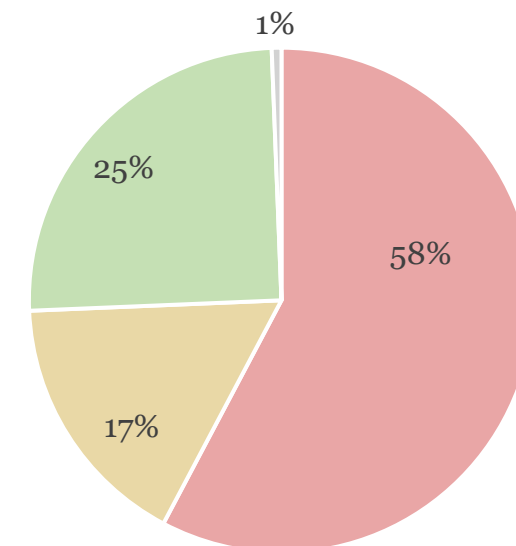
29%
Return on Capital Employed

Rs 51 cr
Returned to shareholders
in last 4 years

Our businesses – presence across all categories

Core business	Export of wide range of Indian ethnic products - ready-to-cook, ready-to-eat, frozen, pickles, condiments, etc. - to over 55 countries with significant presence across US, UK and GCC markets
US subsidiary	Dealing in organic & natural foods in the US in a wide range of hand rolled organic burritos with authentic Mexican flavors
Agency distribution business	Distribution of consumer products for a Fortune 500 FMCG, in the US and UK markets; the products are synergistic to own products and enables to offer a wide range to distributors
India business	Healthy & tasty products under the brand 'SOUL' for the urban India; pioneer in some product categories such as olive oil based pickles

**Contribution to Revenue
H1FY21**





- Flagship brand primarily targeted to the Indian diaspora worldwide
- 300+ products in different categories under shelf stable and frozen range



- Primarily targeted at the mainstream (Non-Indian) consumers
- Offers a range of condiments, chutney, sauces and snacks
- Available in supermarkets in Europe; organic range available in the US



- Premium brand catering to customers in the Middle East market
- Range of pickles and spices targeted primarily at the Arabic diaspora



AEROPLANE

- A leader in the economy category
- Offers a range of pickles, chutneys, etc., which are marketed primarily in the Middle East





- Organic hand rolled burritos
- Made with USDA certified organic ingredients
- Available in a wide range of classic burritos and breakfast burritos

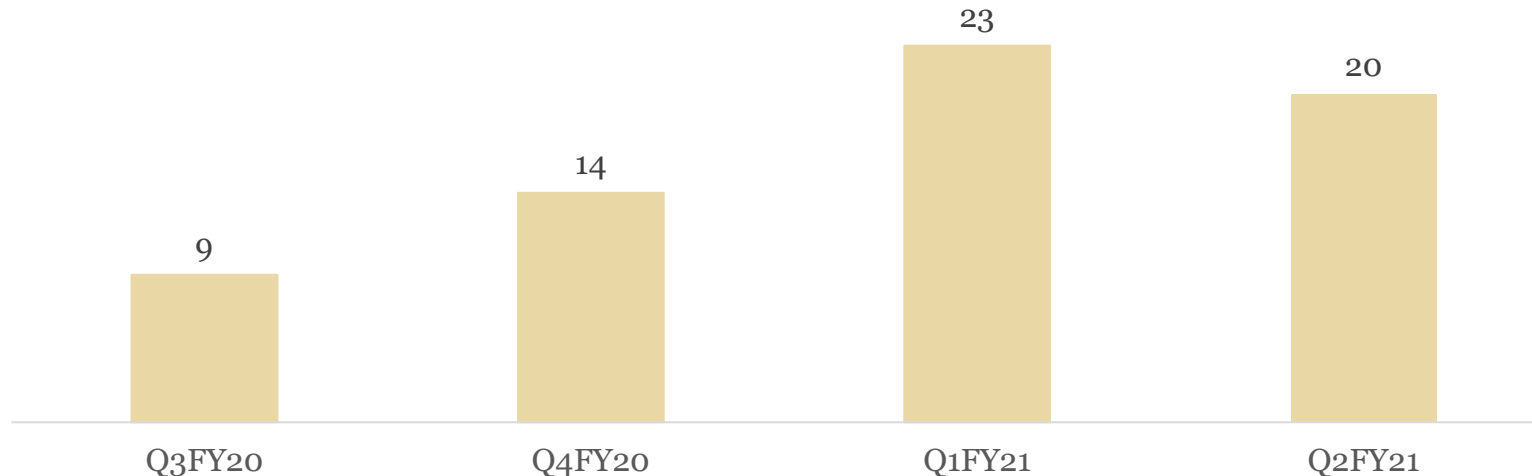


- Meatless meatballs: Made from protein-packed Non-GMO soy, offer the same taste, texture and versatility of traditional meatballs. All natural, vegan, vegetarian, good source of protein & no cholesterol
- Authentic Indian Roti Wraps and Chaats: Non-GMO, vegetarian, ready in minutes



- Distribution of some products of a global Fortune 500 FMCG in USA and UK markets
- Products are complimentary to existing range of ADF products and offers wide range of products to the distributors
- Focusing on adding more complimentary products of similar nature in product basket as well as adding products of few more companies in newer markets
- Enables the company access to a wider product portfolio to offer the retailers who stock the company's products

Revenue from Agency Distribution (Rs Cr)





BINDASS KHAO

- Wide range of products - pickles, sauces, cooking paste, ready to cook instant masala mix, etc.
- Sold and marketed in Mumbai, India
- Available in Reliance Retail, Sahakari Bhandar & Haiko; Online Presence in Big Basket and Flipkart



State of the art manufacturing units

Facility at Nadiad, Gujarat

- Total Built up factory area - 15,000 Sqm
- Frozen Foods (Samosas, Vegetables, Snacks, Parathas, etc)
- Meal Accompaniments (Pickles, Chutneys, Pastes, Sauces)
- Ready to Eat Curries & Canned Vegetables



Facility at Nasik, Maharashtra

- Total Built up factory area – 10,100 Sqm
- Totally automated spice processing unit by Buhler, Germany
- Meal Accompaniments (Pickles, Chutneys, Pastes, Sauces)
- Ready to Eat Curries & Spices



Accreditations



The facility at Nasik is USDA Organic accredited, ensuring stringent production norms and sound farming practises



Bureau Veritas accreditation which demonstrates that products, processes and services meet the highest levels of safety, quality and regulatory standards



UKAS accreditation which ensures high standards for managing occupational health and safety



BRC accreditation ensuring both food safety & quality standard best practices are being maintained

Strong distribution network



55+
Countries

180+
Distributors

6
Country managers

Bimal Thakkar

Chairman, Managing Director and CEO

- 30+ years of experience in domestic and export management
- Instrumental role in development of Brands and new products, tapping new markets, international acquisitions, setting up of subsidiary companies in U.K. and U.S.A.

Devang Gandhi

COO

- 30+ years of experience in business management
- Hold a bachelor's degree in commerce

Shardul Doshi

CFO

- 20+ years of experience in finance, IR and accounting
- Is a CA, CWA and CS and holds a bachelor's degree in commerce

Shalaka Ovalekar

CS & Legal Head

- 15+ years of experience in secretarial and legal functions
- Is a CS, CWA, LLB and holds a bachelor's degree in commerce

Maneck Katpitia

VP, International Operations

- 30+ years of experience in international operations
- Holds bachelor's degree in commerce and postgraduate in marketing and sales management

R. R. Singh

VP, Manufacturing

- 30+ years of experience in food industry
- Holds a master's degree in Chemistry and PDG in F&F Technology

Deepak Nachane

GM, Purchase

- 25+ years of experience in procurement, vendor development, inventory control
- Holds engineering degree in production technology & diploma in business & materials management

Deepa Harris

Independent Director

- 30+ years of expertise in high-end luxury hospitality category
- Currently Independent Director of PVR Limited, Jubilant Foodworks Ltd., Prozone Intu Properties Ltd, Taj Safaris, Concept Hospitality Ltd. and TCPL Packaging Limited.

Ravinder Jain

Independent Director

- 45+ years of experience in business management
- Has held various management position like MD of Shaw Wallace, MD of Millennium Alcobev and head of McDowell and Co.
- Has been instrumental in developing several green field businesses in alcohol and beverage industry as well as many well-known brands like McDowell's Whisky, Bagpiper Whisky etc.

Chandir Gidwani

Independent Director

- 45+ years of experience in financial services
- Chairman Emeritus & Founder of Centrum Capital Ltd; also runs a proprietary investing business focused on mid-sized Indian companies. Member of industry associations e.g. FICCI, CII, etc.

Viren Merchant

Independent Director

- 30+ years of experience and expertise in business management and pharmaceutical and healthcare industry
- Currently CEO of Encore Healthcare Pvt Ltd.

Naresh Kothari

Independent Director

- 25+ years of experience in business building and capital markets
- Has held various management roles including President of Edelweiss Capital, Co-Head of Edelweiss Alternative Asset Advisors, Head of Coverage & ECM, and Co-Head of Institutional Equities

Jay Mehta

Non-Executive Director

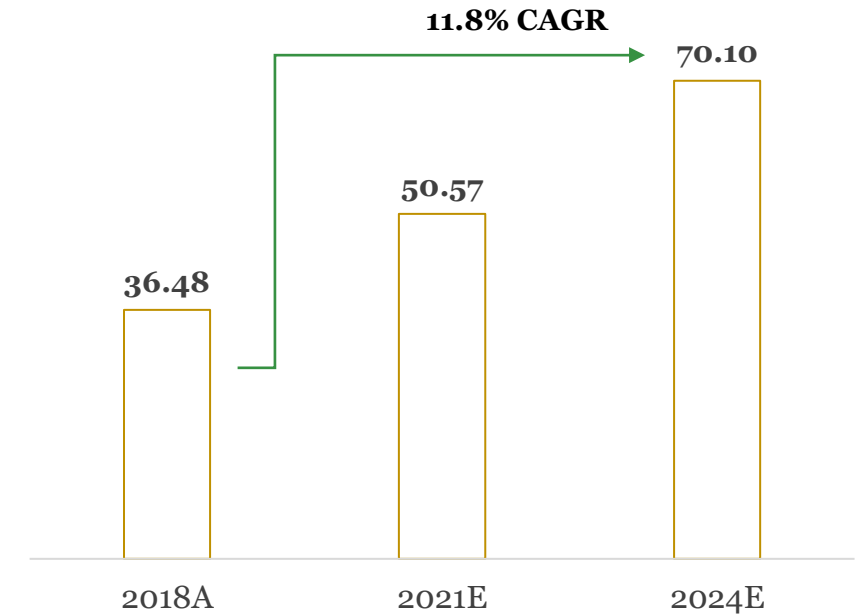
- 35+ years of rich industrial experience
- Executive Vice Chairman of Gujarat Sidhee Cement Ltd and Saurashtra Cement Ltd and is on the Board of various other private and public limited companies

Industry Drivers & Our Growth Strategy



Global Ethnic Food Market

- The global ethnic food market was valued at \$36.48 billion in 2018, and is projected to grow at 11.8% (CAGR) , to reach \$70.10 billion in 2024
- A paradigm shift in taste preference over ethnic food due to increased diaspora, the willingness to experiment with international cuisines and increasing migration among the world population for personal and professional purposes are pioneering the demand
- The consumers are looking for more innovative and experimental food choices which are authentic, convenient, ready to eat as well as healthy
- Amongst the international cuisines, Asian (Indian, Chinese), Middle Eastern and Mexican cuisines are the most preferred ones which are growing faster than market average.
- Indian food remains the largest segment ahead of Chinese in the UK ethnic food market



The global ethnic food market (\$billion)⁽¹⁾

Evolving Industry Trends

- **Evolving consumer tastes and preferences offering opportunities for innovations:** - Consumers demand healthy and authentic food alternatives with fewer artificial ingredients
- **Strong preference of convenience RTE food by millennials** - The largest living generation, having higher disposable income spend on RTE food products due the ease of consumption
- **Emerging importance of a balanced healthy diet** - Gluten free, lactose free, veganism, vegetarianism and nutritional food are gaining market share as consumers are becoming more health conscious

COVID Impacting Consumer Behaviour

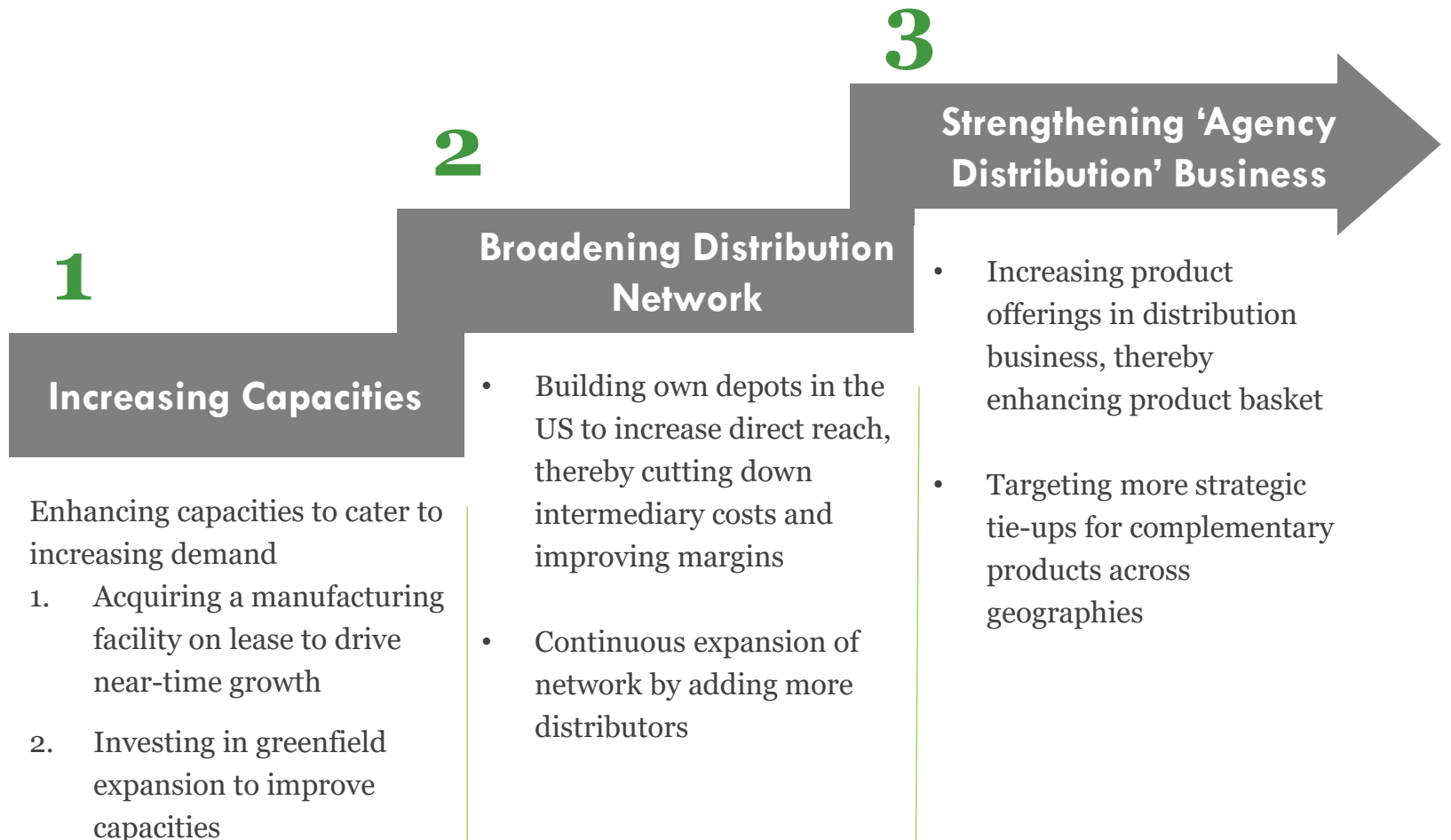
- The COVID outbreak has affected the consumer patterns leading to unprecedented changes in the RTE & RTC foods business
- On the demand side, there has been a rise of people stocking up on food with long shelf-life and preferring to eat home cooked meals are precautionary measures
- With most restaurants being closed and a large number of people working from home, the ready-to-eat market has been witnessing accelerated growth amid the pandemic
- This shift in consumer behavior and preferences is expected to become the new normal

ADF - Strongly positioned for next phase of growth

Journey So Far

- 1** Established strong brands in various segments
- 2** Strong global distribution network
- 3** Robust Balance sheet with zero debt
- 4** Strong margins and return ratios
- 5** Distribution of products of a Fortune 500 company

Journey Ahead



While generating value for shareholders

Our continued focus lies on improving cash generation and maintaining a robust balance sheet, thereby enabling us to generate strong returns and reward shareholders

FY17
Rs 9.6 crore

Buyback

FY18
Rs 5.5 crore

Dividend Payout

FY19
Rs 30 crore

Buyback

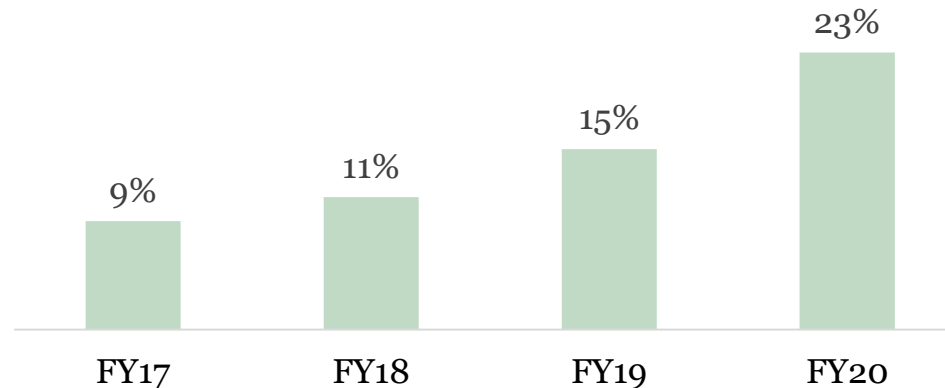
FY20
Rs 6 crore

Dividend Payout

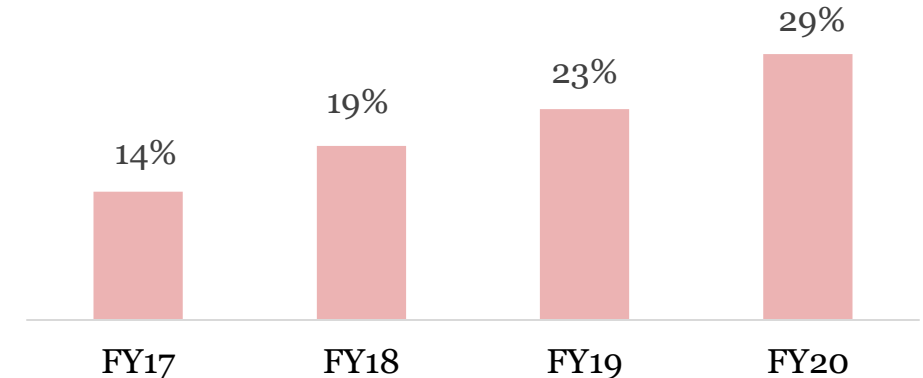
Rs 51 crores

**Returned to
shareholders in the
last 4 years**

Return on Equity %



**Return on Capital
Employed %**

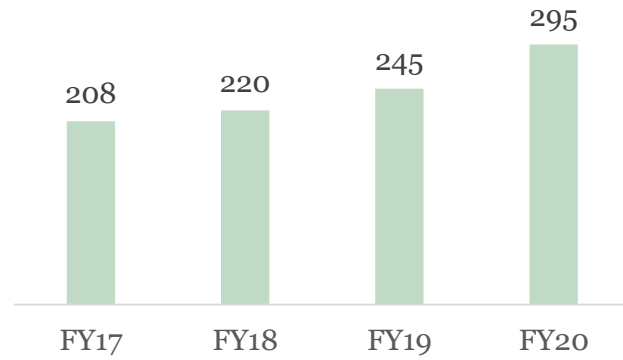


Historical Financial Overview

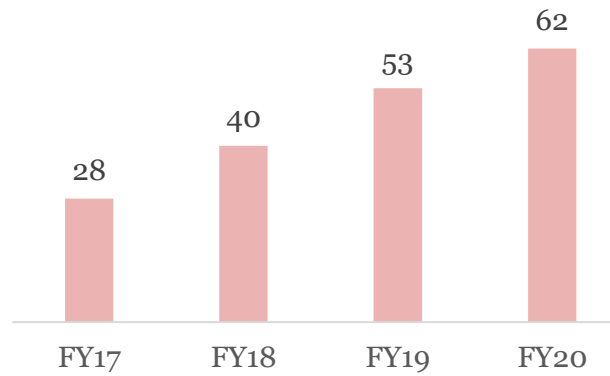


Consolidated financial performance

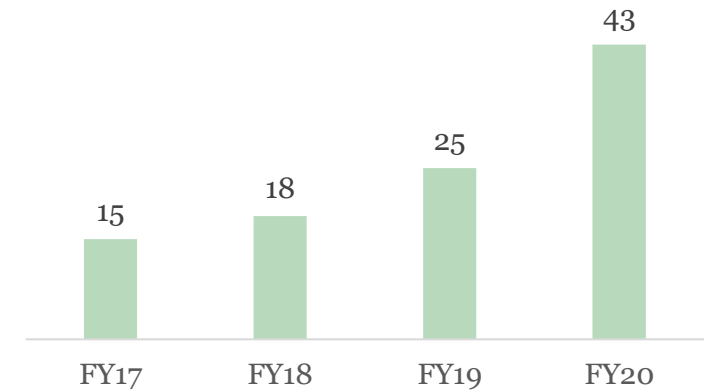
Total Income
12% 3 year CAGR



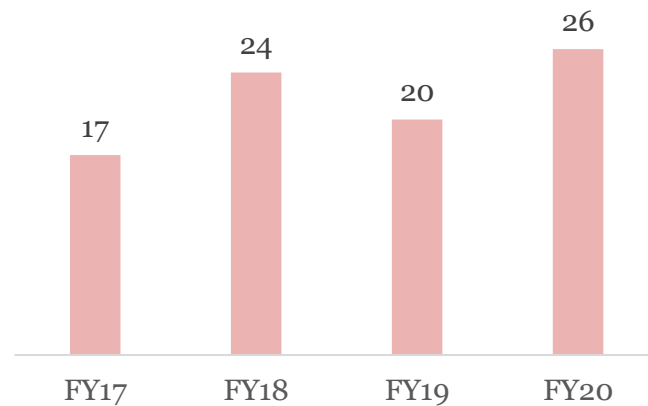
EBITDA
30% 3 year CAGR



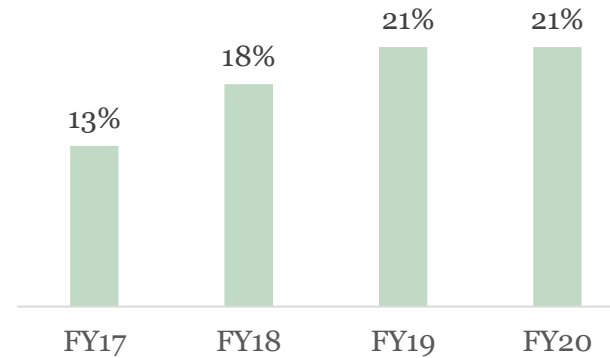
PAT
43% 3 year CAGR



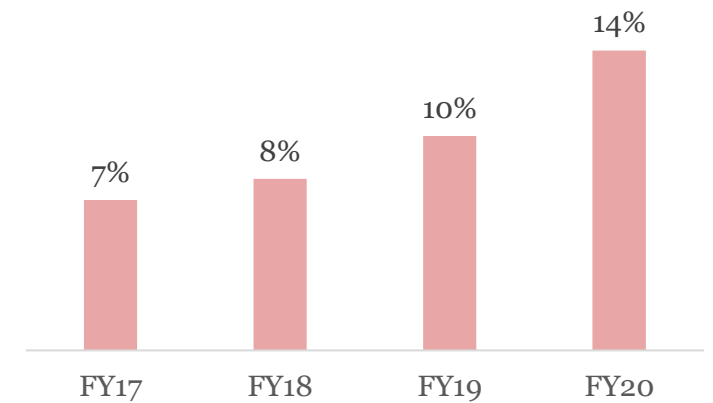
Cash flow from operations



EBITDA Margins %



PAT Margins %



Historical profit and loss statement

(Rs Cr)	Standalone			Consolidated		
	FY18	FY19	FY20	FY18	FY19	FY20
Revenue from operations	163.8	187.5	182.1	201.0	231.4	272.8
Other income	18.6	14.1	21.8	18.6	14.1	21.8
Total Income	182.4	201.6	203.8	219.6	245.5	294.6
Cost of material consumed	78.2	89.33	81.81	78.2	89.3	81.8
Changes in inventories	2.8	-4.2	-0.5	1.5	-11.1	-19.2
Purchase of stock-in-trade	11.4	6.6	7.5	34.2	42.0	86.4
Employee expenses	13.9	13.4	15.1	16.4	16.1	17.6
Other expenses	39.7	47.3	52.2	49.3	56.3	65.4
Total Operating expenses	146.0	152.4	156.1	179.6	192.7	232.1
EBITDA	36.4	49.2	47.7	40.0	52.8	62.5
EBITDA margin	20.0%	24.4%	23.4%	18.2%	21.5%	21.2%
Finance cost	1.1	0.9	1.3	1.1	0.9	1.3
Depreciation and Amortization	4.4	4.3	5.5	6.8	14.2	5.9
PBT	30.9	44.0	40.9	32.1	37.7	55.3
PBT margin	17.0%	21.8%	20.0%	14.6%	15.4%	18.8%
Tax Expenses (Credits)	8.6	13.5	9.1	14.0	12.4	12.2
Exceptional Items	-	-	-0.3	-	-	-0.3
PAT	22.3	31.5	30.5	18.1	25.3	42.8
PAT Margin	12.3%	15.4%	15.1%	8.2%	10.3%	14.5%

Depreciation and Amortization expense in consolidated financials for FY19 includes an amount of Rs. 9.9 cr s on account of impairment of certain brands held in US subsidiary

Thank You



Shardul Doshi (CFO)/ Shalaka Ovalekar (CS)

ADF Foods Limited

shardul@adf-foods.com

co_secretary@adf-foods.com

Marathon Innova B2 – G01, G. K. Road

Lower Parel, Mumbai 400 013



Pooja Dokania/ Rishav Das

Pareto Capital (Investor Relations)

pooja.dokania@paretocapital.in

rishav.das@paretocapital.in

210, B Wing, Kanakia Wall Street

Andheri East, Mumbai - 400069