



# Investor Presentation

## Q2 & H1FY22





# Agenda

A collection of natural ingredients including saffron, chili peppers, nutmeg, and lavender on a dark surface. The background features a dark, textured surface with various spices and herbs. A wooden spoon holds saffron threads, a red chili pepper is sliced open, and a whole nutmeg is visible. There are also some dried red chilies and a small bowl of red powder. The overall theme is natural and organic.

- 01 Q2 & H1FY22 Financial & Operational Highlights
  - 02 About The Company
  - 03 Our Key Strengths and Growth Strategy
  - 04 Historical Financial Overview
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- A decorative green leaf graphic at the bottom of the slide, consisting of a long, thin leaf and a smaller, rounded leaf.

# Q2 & H1FY22 Financial & Operational Highlights

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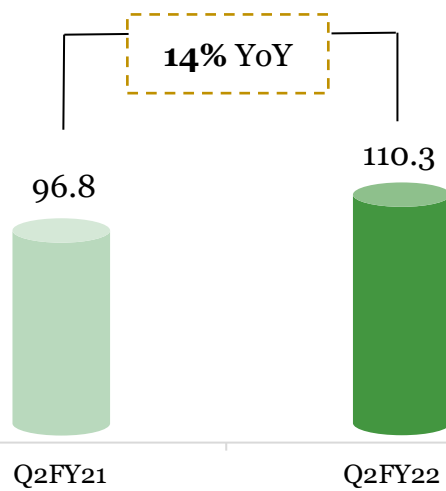


# Q2 & H1FY22 consolidated result highlights

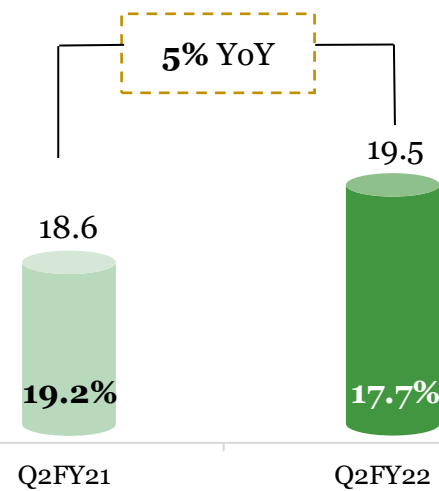
Financials in Rs. Cr

Quarter performance

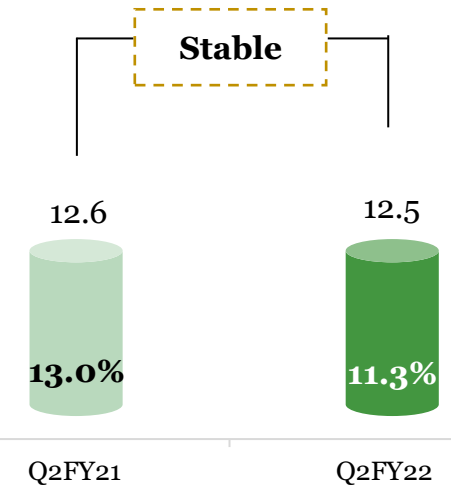
## Total Income



## EBITDA & Margin

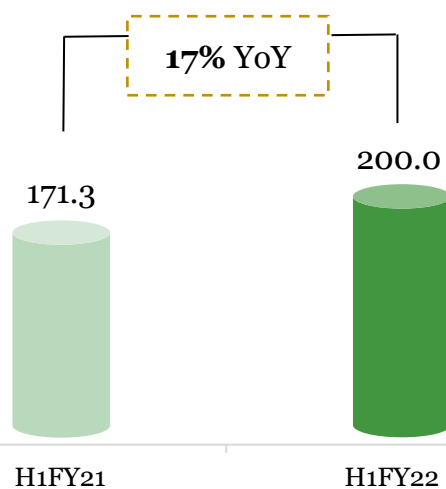


## PAT & Margin

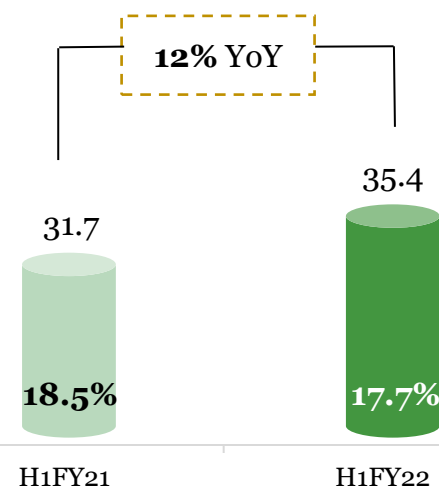


Half-year performance

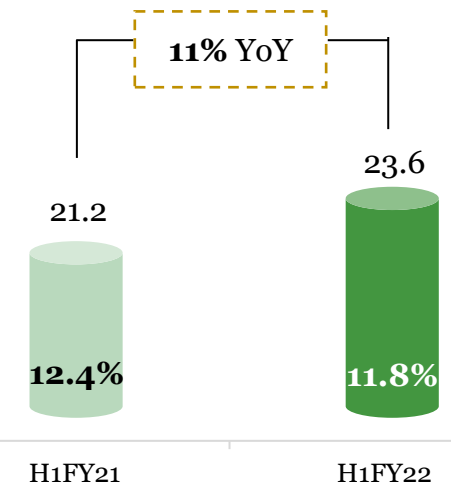
## Total Income



## EBITDA & Margin



## PAT & Margin

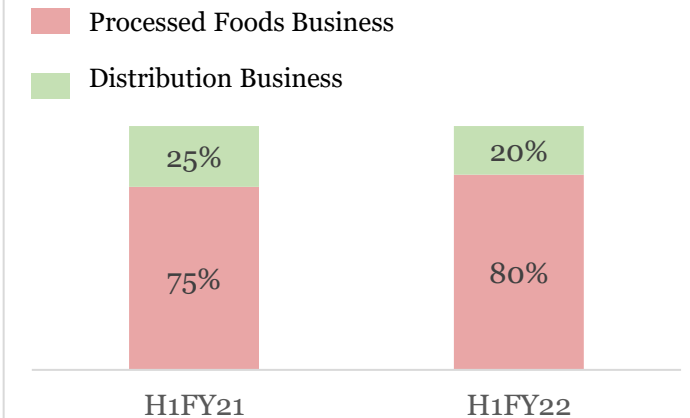


# Consolidated profit & loss statement

(Rs Cr)	Q2FY22	Q2FY21	YoY	H1FY22	H1FY21	YoY
Revenue from operations	109.4	94.3	<b>16%</b>	195.6	168.2	<b>16%</b>
Other income	0.9	2.5		4.4	3.1	
<b>Total Income</b>	<b>110.3</b>	<b>96.8</b>	<b>14%</b>	<b>200.0</b>	<b>171.3</b>	<b>17%</b>
Cost of material consumed	26.2	27.4		62.8	49.5	
Purchase of stock-in-trade	16.5	23.6		60.4	46.4	
Changes in inventories	13.5	4.9		-18.3	5.0	
Employee expenses	6.0	3.5		10.8	7.4	
Other expenses	28.7	18.8		48.9	31.3	
Total Operating expenses	90.8	78.2		164.6	139.6	
<b>EBITDA</b>	<b>19.5</b>	<b>18.6</b>	<b>5%</b>	<b>35.4</b>	<b>31.7</b>	<b>12%</b>
<b>EBITDA margin</b>	<b>17.7%</b>	<b>19.2%</b>		<b>17.7%</b>	<b>18.5%</b>	
Finance cost	0.2	0.2		0.3	0.6	
Depreciation	1.7	1.5		3.1	2.9	
<b>PBT</b>	<b>17.7</b>	<b>16.9</b>	<b>5%</b>	<b>32.0</b>	<b>28.2</b>	<b>13%</b>
<b>PBT margin</b>	<b>16.0%</b>	<b>17.4%</b>		<b>16.0%</b>	<b>16.5%</b>	
Tax Expenses	5.1	4.3		8.3	7.0	
<b>PAT</b>	<b>12.5</b>	<b>12.6</b>	<b>-</b>	<b>23.6</b>	<b>21.2</b>	<b>11%</b>
<b>PAT margin</b>	<b>11.3%</b>	<b>13.0%</b>		<b>11.8%</b>	<b>12.4%</b>	

- Revenue growth of 16% in Q2 & H1 driven by volume offtake and strong demand
- Margin compression led by global container shortage and rising freight costs
- Freight cost had increased from Rs 2.6 cr (3% of revenue) in Q2FY21 to Rs 11.6 cr (11% of revenue) in Q2FY22
- Despite significant rise in freight costs, profitability was sustained with cost optimizations, price increases and better sales mix

## Segment Revenue (%)



# Consolidated balance sheet

(Rs Cr)	Sep'21	Mar'21
Share Capital	20.4	20.4
Reserves	280.0	253.1
<b>Shareholders' Funds</b>	<b>300.4</b>	<b>273.5</b>
Long Term Borrowings	7.4	0.0
Other liabilities	42.0	0.9
Deferred tax liability	7.7	7.6
<b>Total Non-Current Liabilities</b>	<b>57.1</b>	<b>8.4</b>
Trade Payables	39.3	34.8
Other Current Liabilities	15.4	7.8
Current Tax Liabilities	4.6	0.3
Other Financial Liabilities	1.1	2.1
Short Term Borrowings	7.4	0.0
<b>Total Current Liabilities</b>	<b>67.7</b>	<b>45.1</b>
<b>Total Liabilities</b>	<b>425.3</b>	<b>327.0</b>

(Rs Cr)	Sep'21	Mar'21
Fixed Assets incl. CWIP	103.9	56.2
Intangible Assets (inc. goodwill)	45.3	21.3
Income Tax Asset (Net)	7.2	5.0
Other Non Current Assets	7.1	5.7
<b>Total Non-Current Assets</b>	<b>163.5</b>	<b>88.3</b>
Inventories	94.7	72.9
Sundry Debtors	72.2	64.9
Cash and Bank	64.0	64.7
Investments	9.2	16.6
Other Financial Assets	11.4	10.8
Other Current Assets	10.2	8.7
<b>Total Current Assets</b>	<b>261.8</b>	<b>238.7</b>
<b>Total Assets</b>	<b>425.3</b>	<b>327.0</b>



# New product launches



Frozen Snacks



Chutneys



Sauces

**Dedicated R&D team to develop innovative products and variants to cater to evolving consumer needs**

# About the Company

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*“ 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

**3**  
State of the art manufacturing  
facilities

**2**  
Warehouse Units

**~28,000**  
MTPA Capacity

## Financial strengths

**22%**  
3-year Revenue CAGR

**20%**  
EBITDA Margin

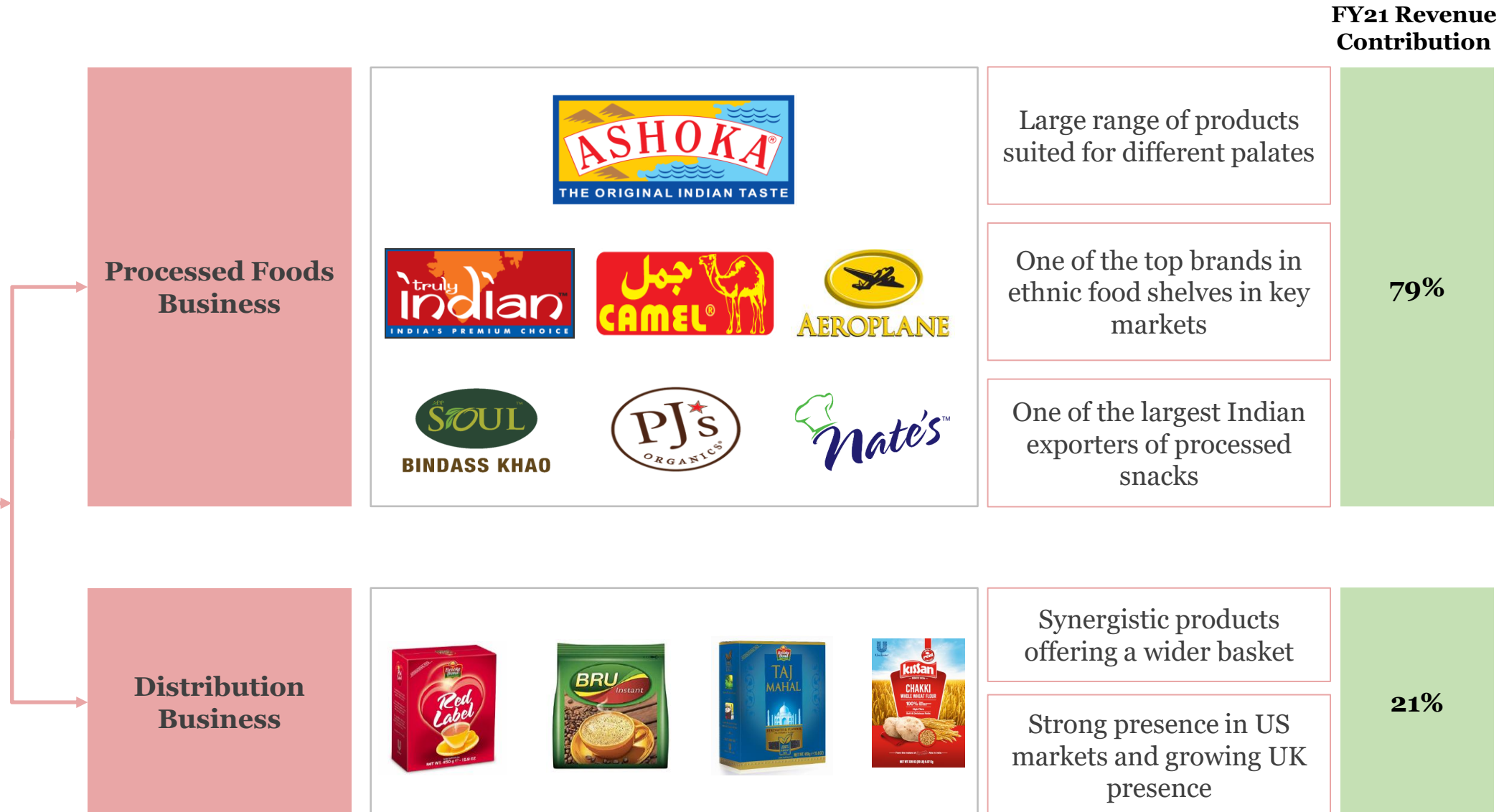
**13%**  
PAT Margin

**21%**  
Return on Equity

**27%**  
Return on Capital Employed

**Rs 81 cr**  
Net Cash & Equivalents

# Our businesses – leading processed food company



# Processed foods business



<b>Positioning</b>	<ul style="list-style-type: none"> <li>• Flagship brand primarily targeted at Indian diaspora worldwide</li> </ul>	<ul style="list-style-type: none"> <li>• Primarily targeted at Non-Indian consumers</li> </ul>
<b>Products</b>	<ul style="list-style-type: none"> <li>• Frozen snacks, frozen breads, frozen vegetables, RTE, meal accompaniments, pastes, sauces, spices, milk drinks</li> <li>• 400+ products across categories</li> </ul>	<ul style="list-style-type: none"> <li>• RTE, meal accompaniments, pastes, sauces</li> </ul>
<b>Geographies</b>	<ul style="list-style-type: none"> <li>• USA, Canada, UK and APAC</li> </ul>	<ul style="list-style-type: none"> <li>• Germany and USA</li> </ul>
<b>Retail channel</b>	<ul style="list-style-type: none"> <li>• 70-90% from ethnic stores* across geographies</li> <li>• Balance from mainstream/ modern trade stores</li> </ul>	<ul style="list-style-type: none"> <li>• 100% from mainstream/ modern trade stores</li> </ul>



\*Ethnic stores are a subcategory of general trade stores

# Processed foods business



<b>Positioning</b>	<ul style="list-style-type: none"> <li>• Premium brand targeted at Arabic diaspora</li> </ul>	<ul style="list-style-type: none"> <li>• Economy brand</li> </ul>	<ul style="list-style-type: none"> <li>• Primarily targeting urban Indian customers</li> </ul>
<b>Products</b>	<ul style="list-style-type: none"> <li>• Meal accompaniments, pastes, sauces</li> </ul>	<ul style="list-style-type: none"> <li>• Meal accompaniments, pastes, sauces</li> </ul>	<ul style="list-style-type: none"> <li>• Meal accompaniments, pastes, sauces</li> </ul>
<b>Geographies</b>	<ul style="list-style-type: none"> <li>• Middle East</li> </ul>	<ul style="list-style-type: none"> <li>• Middle East</li> </ul>	<ul style="list-style-type: none"> <li>• Sold and marketed primarily in Mumbai, India</li> </ul>
<b>Retail channel</b>	<ul style="list-style-type: none"> <li>• 95% from mainstream/ modern trade stores</li> </ul>	<ul style="list-style-type: none"> <li>• 65% from mainstream/ modern trade stores ; 35% general trade</li> </ul>	<ul style="list-style-type: none"> <li>• Available in Reliance Retail, Sahakari Bhandar &amp; Haiko; and select online platforms</li> </ul>





# Processed foods business



**Frozen Organic Mexican Food**



<b>Positioning</b>	<ul style="list-style-type: none"> <li>• Organic, made with USDA certified organic ingredients</li> </ul>	<ul style="list-style-type: none"> <li>• Non-GMO, all natural, vegan, vegetarian</li> </ul>
<b>Products</b>	<ul style="list-style-type: none"> <li>• Hand rolled burritos</li> </ul>	<ul style="list-style-type: none"> <li>• Meatless meatballs</li> </ul>
<b>Geographies</b>	<ul style="list-style-type: none"> <li>• USA</li> </ul>	<ul style="list-style-type: none"> <li>• USA</li> </ul>
<b>Retail channel</b>	<ul style="list-style-type: none"> <li>• 100% from mainstream/ modern trade stores</li> </ul>	<ul style="list-style-type: none"> <li>• 100% from mainstream/ modern trade stores</li> </ul>



# Distribution business

<b>Positioning</b>	<ul style="list-style-type: none"><li>• Distribution of synergistic products for a Fortune 500 FMCG that are complimentary to existing range and offer a wider product portfolio for retailers to shelve</li></ul>
<b>Products</b>	<ul style="list-style-type: none"><li>• Indian tea and coffee beverages, soups &amp; wheat flour</li></ul>
<b>Geographies</b>	<ul style="list-style-type: none"><li>• USA and UK</li></ul>
<b>Retail channel</b>	<ul style="list-style-type: none"><li>• Mainstream/ modern trade stores as well as ethnic stores</li></ul>



# Our Key Strengths and Growth Strategy

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# 3 State of the art manufacturing units

## 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



## 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



## Surat, Gujarat

- Leased facility with a capacity of 1,950 MTPA
- Spread over an area of 7 acres in Surat
- Frozen Foods (Breads, Snacks etc)



## 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



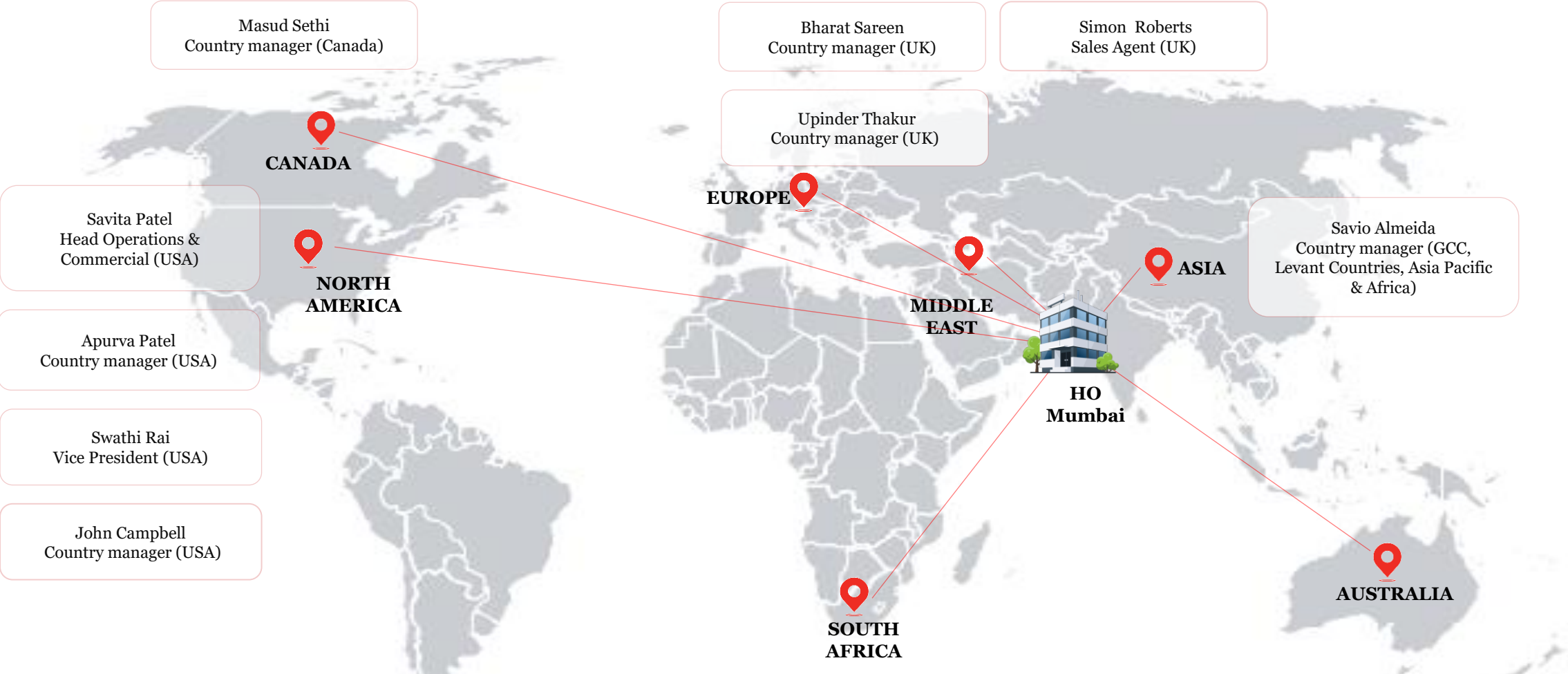
UKAS accreditation which ensures high standards for managing occupational health and safety



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



# Robust global distribution network



**55+**  
Countries

**180+**  
Distributors

**9**  
Country  
Managers

**2**  
Warehouse  
Units

# Led by an experienced management team and Board

## Management Team

### 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

Chief Operating Officer

- 30+ years of experience in business management
- Bachelor's degree in commerce

### Shardul Doshi

Chief Financial Officer

- 25 years of experience in finance, IR and accounting
- CA, CWA and CS and a Bachelor's degree in commerce

### Shalaka Ovalekar

CS & Legal Head

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

### Maneck Katpitia

VP, International Operations

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

### Balbir Singh

VP, Manufacturing

- 25+ years of experience in food industry
- Master's degree in food technology

### Deepak Nachane

GM, Purchase

- 25+ years of experience in procurement to pay operations
- Engineering degree in production technology & Diploma in business & materials management

## Board of Directors

### Deepa Harris

Independent Director

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

### Viren Merchant

Non-Executive Director

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

### Ravinder Jain

Independent Director

- 45+ years of experience in business management
- Ex - MD of Shaw Wallace, MD of Millennium Alcobev and head of McDowell and Co.

### Chandir Gidwani

Independent Director

- 45+ years of experience in financial services
- Chairman Emeritus & Founder of Centrum Capital Ltd; Member of industry associations e.g. FICCI, CII, etc.

### Jay Mehta

Non-Executive Director

- 35+ years of rich industrial experience
- Executive Vice Chairman of Gujarat Sidhee Cement Ltd and Saurashtra Cement Ltd

# Focused branding and advertising engagements

## Media Advertisements



Ashoka was the Associate Sponsor of IPL 2020 for the US and Canada markets on Willow TV



BIG BOSS Sponsorship on Colors TV



Sponsorship of Taarak Mehta Ka Ooltah Chashmah on Sony SAB

## In-store Promotions



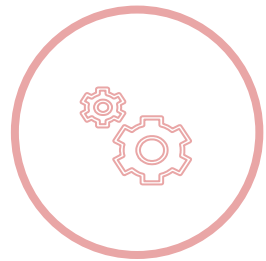
UK Cross promotion - Buy any pack of tea & get Ashoka RTE pack free



Tea sampling promotion



# Moving up the value chain through investments in distribution



## Manufacturing

- Undertaking brownfield and debottlenecking efforts at existing plants
- Unlock additional capacities of ~20%
- Greenfield expansion plan to increase capacities for frozen food, ready-to-eat, condiments
- Potential to add ~10,000 metric tonnes of capacity in Phase 1



## Warehousing

- Leased a second warehouse center in Georgia, USA with an area of 33,000 Sq. Ft
- This along with the first warehouse center in New Jersey, USA, provides a combined leasehold area of 1 Lac Sq. Ft

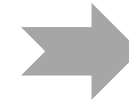


## Distribution

- Established a step-down subsidiary with an existing distributor in New Jersey, USA
- Key benefits:
- Direct reach to retailers
  - Improve supply chain management
  - Retain distributor margins



## Retailer



## Consumer



# Historical Financial Overview

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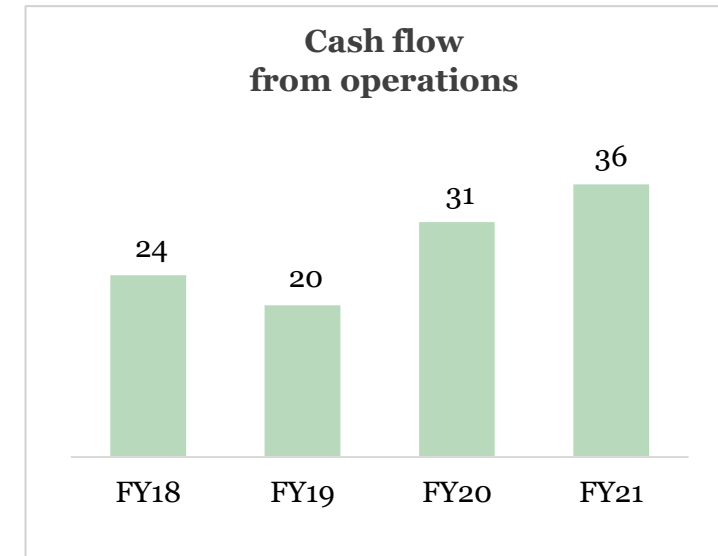
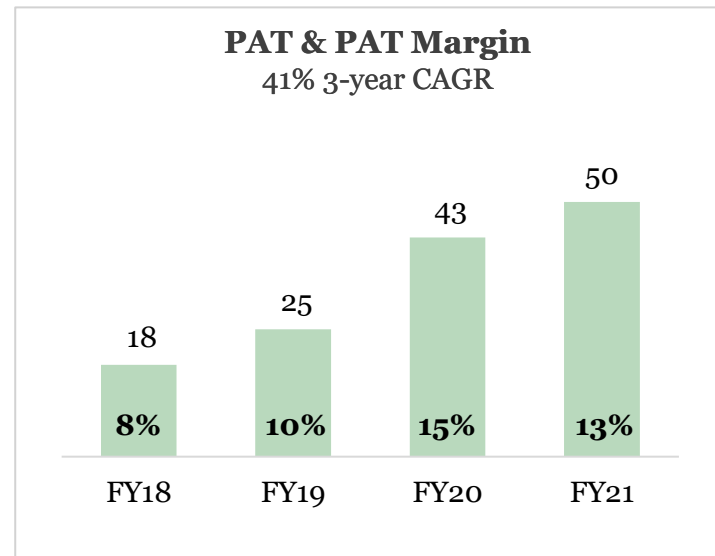
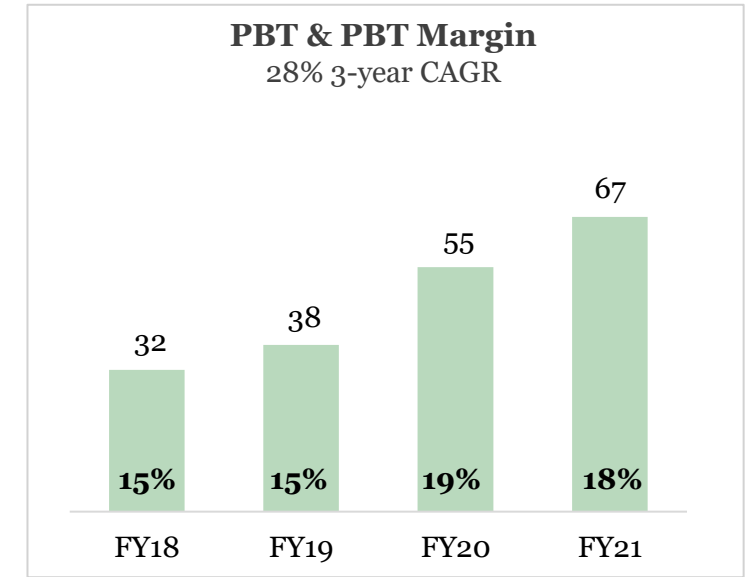
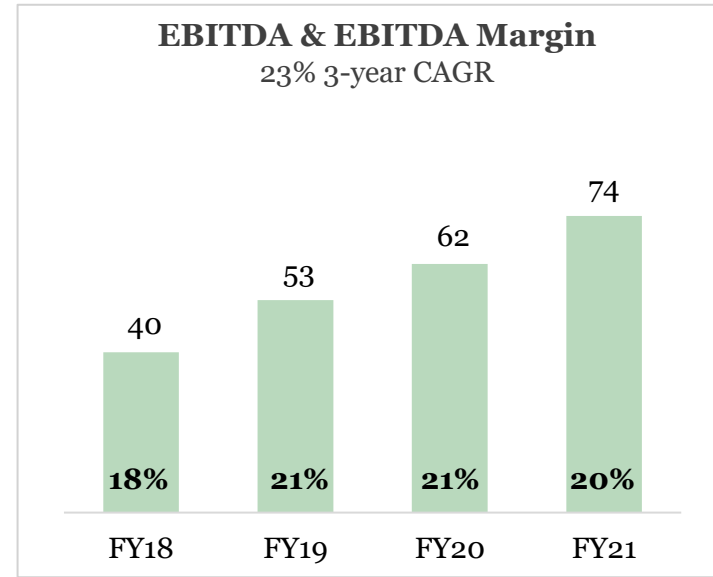
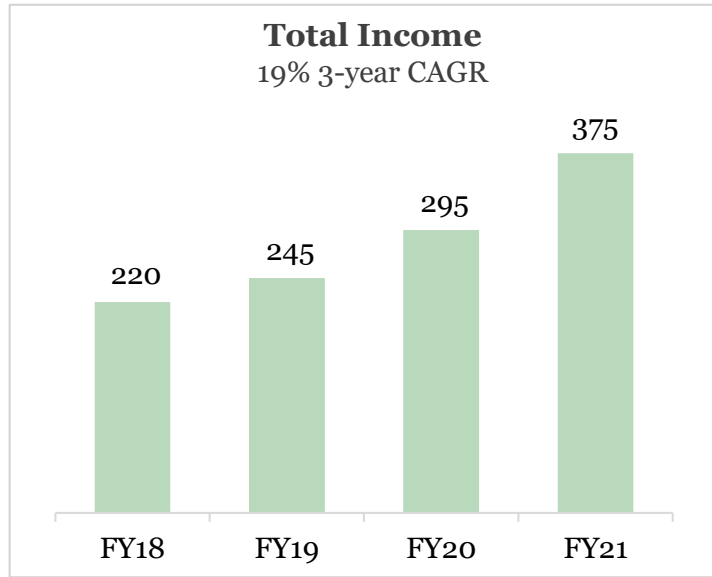


# Consolidated profit & loss statement

(Rs Cr)	FY21	FY20	FY19
Revenue from operations	369.3	285.2	231.4
Other income	6.0	9.4	14.1
<b>Total Income</b>	<b>375.3</b>	<b>294.6</b>	<b>245.5</b>
Cost of material consumed	107.3	81.8	89.3
Purchase of stock-in-trade	124.9	86.4	42.0
Changes in inventories	-17.1	-19.2	-11.1
Employee expenses	17.6	17.6	16.1
Other expenses	68.8	65.4	56.3
Total Operating expenses	301.6	232.1	192.6
<b>EBITDA</b>	<b>73.8</b>	<b>62.5</b>	<b>52.9</b>
<b>EBITDA margin</b>	<b>19.7%</b>	<b>21.2%</b>	<b>21.5%</b>
Finance cost	1.2	1.3	0.9
Depreciation	5.9	5.9	14.2
<b>PBT</b>	<b>66.7</b>	<b>55.3</b>	<b>37.7</b>
<b>PBT margin</b>	<b>17.8%</b>	<b>18.8%</b>	<b>15.4%</b>
Exceptional items	0.0	-0.3	0.0
Tax Expenses	16.6	12.2	12.4
<b>PAT</b>	<b>50.1</b>	<b>42.8</b>	<b>25.3</b>
<b>PAT margin</b>	<b>13.3%</b>	<b>14.5%</b>	<b>10.3%</b>

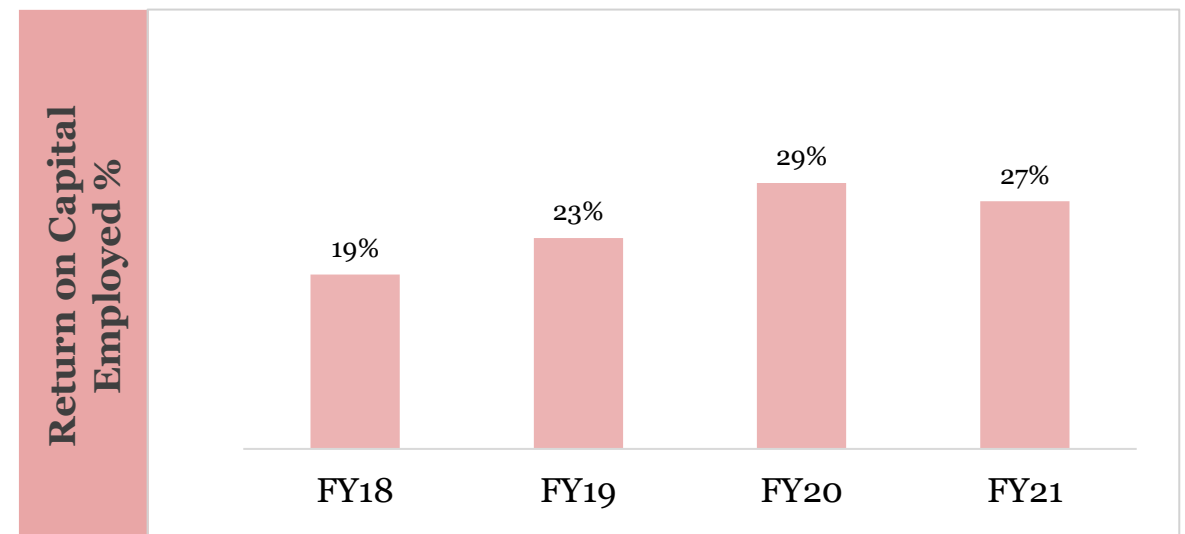
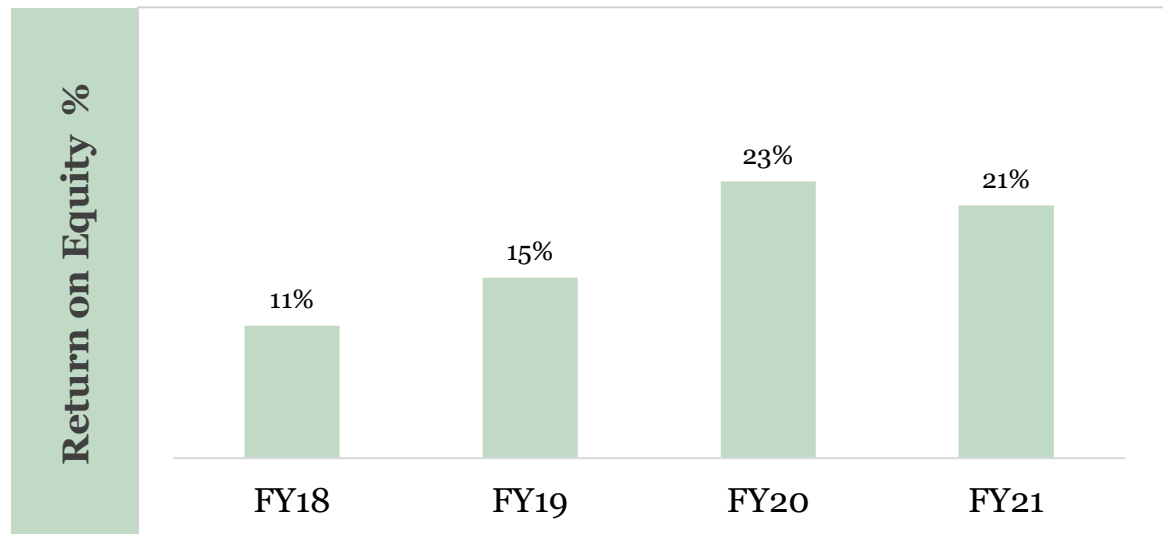
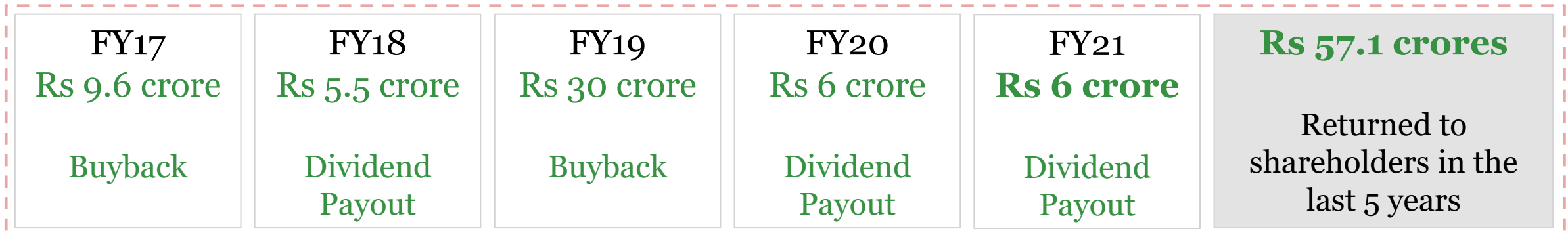
# Consolidated financial performance

Financials in Rs. Cr



# 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





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