



May 16, 2017

TBEL REGISTERS RECORD QUARTER & FISCAL 2017
Q4 REVENUES UP 12%, EBITDA GROWS 16%. FY17 REVENUES OF RS. 2523 MN
(UP 21%) and EBITDA AT RS. 425 MN (UP 23%)

The Board of Directors of Tasty Bite Eatables Limited have on May 16th, 2017 announced the results for the fourth quarter (January – March 2017) and for the fiscal year ended March 31, 2017. Key highlights of the performance and an update on important initiatives that the company has undertaken during this period are provided.

Performance Highlights

- Revenues for the quarter were Rs. 702 mn reflecting a growth of 11.5% over last year. For the fiscal ending March 31, 2017, revenues of Rs. 2523 mn reflect a growth of 21% over the same period LY.
- Consumer business revenues (exports to North America and other markets) have grown 22% in this fiscal. The Spice & Simmer range of gourmet sauces and a new range of Hot & Spicy entrées were introduced during this period. New markets for our products include the United Kingdom.
- Food service revenues have grown 18.4% in this fiscal to Rs. 769 mn. Growth in this segment is led by sauces that grew 24% while our frozen products grew 14%. Both these categories (sauces and frozen products) now contribute equally to the Tasty Bite food service revenues.
- The TFS business has now begun its foray into regional markets as part of the globalization strategy. Initial shipments to our quick-service restaurant and Horeca customers in Singapore, Malaysia and the UAE have already started. We expect demand for specialty vegetarian products to increase given the quality, variety and cost competitiveness of the Company's products.
- Material costs for the quarter at 55.7% of revenues are well controlled compared with last year (58%) and has yielded 1.6% to margin improvement. A combination of good agricultural yields and strategic purchasing has allowed us to maintain our material costs lower than budgets. Much of these benefits will continue to accrue through the year.
- EBITDA margins of the business (excluding forex gains / losses) for this quarter and fiscal FY17 ended March 2017 are 20% and 17% respectively which is an improvement from the same periods last year (19.% in Q4FY17 and 16.5% for FY17).
- The INR has sharply appreciated over the quarter versus the US dollar and is currently at 64.50 which is lower than the budget rate of 68.50. While this would have an impact on our sale realizations on our exports we have



taken forward contracts that will mitigate part of this impact to our bottom line. At present we have approximately 40% of our forward 12 month net dollar inflows hedged at an average rate of Rs. 69.54

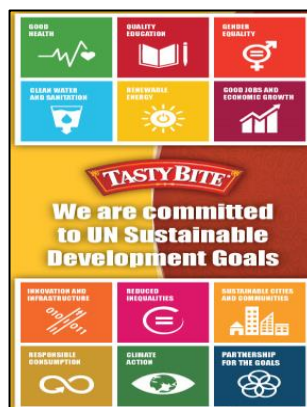
- The Company has received approval from the National Stock Exchange and the Company's shares are now traded on both the BSE and NSE.

Capacity Expansion

- In the last report we had indicated that we would further enhance the capacity of our Ready-to-Serve (RTS) line by another 20% and double our sauce manufacturing capacity to 12,000 tons per annum. We are pleased to report that this expansion has gone as per schedule and budget and the plant has re-opened (after a 10-day planned shutdown in April 2017) with an enhanced capacity of 220,000 packs per day.
- The final stages of implementing the sauce expansion is also being completed and we expect to have full commercial manufacturing on this new sauce line by the end of May 2017. Thus will expand our sauce capacity from 6000 to 12,000 tons annum on a 2-shift basis.
- With the above two capital expansion, we expect to have sufficient capacity for all our three technology verticals (RTS, Sauces and Frozen) to meet the business needs of our plan for 2017 and 2018. The Company continues to engage in various strategic partnerships in order to develop market opportunities that would utilize the Company's world-class manufacturing infrastructure.

Sustainability

- Your Company remains deeply committed to sustainability and has adopted 12 of the 17 UN Sustainable Development Goals (SDGs). These include, *Good Health, Gender Equality, Clean Water and Sanitation, Renewable Energy, Good Jobs & Economic Growth, Innovation & Infrastructure, Responsible Consumption and Climate Action*. A new Sustainability Center is being commissioned that will lead this effort including the management of our Organic Farm, Water Recycling, Rainwater Harvesting, the Bio-gas Plant and a new Farmer Training Center.





New Sauce Plant



New RTS Expansion

Safe Harbor Statement

This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, projections, financial or otherwise, which are forward looking statements. These forward looking statements are based on our beliefs and assumptions, which in turn are based on currently available information, certain expectations, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international oil prices and input costs and new or changed priorities of the trade. Any of these assumptions/ expectations/ anticipated developments could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. The Company, therefore, cannot guarantee that the forward-looking statements made herein shall be realized. These forward-looking statements speak only as of the date of this document. None of the Company, the promoters, their respective advisors or any of their respective directors, officers, affiliates or associates have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. All forward-looking statements contained herein are expressly qualified in their entirety by reference to these cautionary statements.