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8th February, 2019

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, <u>Mumbai – 400 001</u> Scrip Code: 519588	National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E), <u>Mumbai – 400 051</u> Scrip Code: DFMFOODS
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Dear Sirs,

Sub: **Investor Release**

Please find enclosed herewith an Investor Release on Unaudited Financial Results for the Third quarter and nine months ended 31st December, 2018.

Thanking you.

Yours faithfully,
For DFM Foods Limited


(R.S. Tomer)
Company Secretary



Encl: As above



INVESTOR RELEASE

DFM Foods' Q3FY19 PAT up by 52%

Q3 FY19 HIGHLIGHTS

- Total Sales for the third quarter stood at Rs. 134.8 crore, up 13.9% QoQ
 - Gross Profit up by 15% QoQ to Rs. 55.9 crore and margins were at 41.5%
 - EBITDA up by 23.6% QoQ at Rs. 19.05 crore and margin stood at 14.1%
 - PAT up by 52.2% QoQ at Rs. 10.73 crore compared to Rs. 7.05 crore
 - EPS for the period was Rs. 2.13
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New Delhi, February 08, 2019:

DFM Foods Limited, a pioneer in the Indian snacks food market, today announced its financial results for the third quarter and nine months ended December 31st, 2018. **Total Sales for 9M FY19 stood at Rs. 351.8 crore, higher by 8.5% versus last year. Adjusting for the impact of GST, real volume growth was higher at 10%. Gross Profit for 9M FY19 was Rs. 145.2 crore up 13.3% versus last year. Gross margins improved by 172 basis points and stood at 41.3%. EBITDA for the period was Rs. 46.5 crore, an increase of 20.6% versus last year. EBITDA margins improved significantly by 130 basis points to 13.2%. Net Profit for 9M FY19 stood at Rs. 22.8 crore up 29.6% and**

EPS for the period was Rs. 4.55.

Commenting on the results, **Mr. Mohit Jain, Managing Director, DFM Foods Ltd.** said *"this quarter the company clocked it's all time highest revenue of Rs.134.8 crore up 9.2% versus the corresponding quarter and 14% on a sequential basis. The growth in sales was attributable to an increase in sales of Rings, Curls and the roll out of Fritts, which was made possible with the*

commissioning of the brownfield expansion in Sep. The trend in sales in the current year has been extremely encouraging with sales having increased every successive quarter.

The main highlight during the current quarter was the launch of our latest offering – 'Fritts'. The product which had been test marketed during Q2 and had met with a positive feedback was rolled out starting Oct on a Pan-India basis. The same was also supported with television advertising on cartoon channels. Given the increasing trend in monthly sales during Q3, we are excited about its future prospects.

Apart from the advertising of Fritts, the company continued to invest behind its brand mascot for Rings named 'RingBling' which had been launched during Q2. Through this animated character we hope to not only differentiate Crax Rings from competition but also build a further connect with our core consumers, the young children.

On the distribution front we continued our efforts to deepen penetration using the hub and spoke model particularly in the North. Additionally, we also worked on bringing about necessary changes in our distribution model to improve market servicing.

With Curls and now Fritts forming an integral part of our product portfolio, we feel confident of seeing more consistency in our sales unlike the past where we have experienced some volatility. We are now less dependent on Rings and in turn the response to consumer promotions. Instead, growth today is more diversified, coming from both Rings and new launches.

As we move into the last quarter of the financial year, we hope to carry forward the sales momentum seen in Fritts in Q3 and close the year at a higher growth rate than that seen for the first 9 months."

About DFM Foods Ltd.:

DFM Foods Limited, the initiator of packaged snack foods in the Indian market, is engaged in the business of manufacturing, selling, and marketing of packaged foods and has been a leader in the space for over 30 years. The company is listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE), and markets its products under the brand names of "CRAX", "CURLS", "NATKHAT" and "FRITTS". The product portfolio comprises of Corn Rings, Corn Puffs, Wheat Puffs, Cheese Balls, Corn and Potato Sticks and traditional Namkeens in 13 distinct product variants, sold through an extensive distribution network. The company has two state of the art processing units located at Ghaziabad and Greater Noida. With a strong focus on Sales and Distribution, innovative marketing and New Product Development, the company has grown rapidly in the recent past.

For further information please contact:

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