

Public Announcement

Issued under Regulation 3(1) read with Regulations 5(1), 4, 5(2) and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (“SEBI (SAST) Regulations”)

FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF TASTY BITE EATABLES LIMITED

Open offer (“Offer”) for acquisition of up to 6,61,190 (six lakh sixty one thousand one hundred and ninety) fully paid-up equity shares with a face value of INR 10 (Indian Rupees ten) each (“Equity Shares”), representing approximately 25.77% (twenty five point seventy-seven percent) of the total equity share capital of Tasty Bite Eatables Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 201-202, Mayfair Towers, Wakdewadi, Shivajinagar, Pune – 411 005, Maharashtra (“Target Company”) on a fully diluted basis, as of the 10th (tenth) working day from the closure of the tendering period, from the Public Shareholders (as defined below) of the Target Company, by Effem Holdings Limited (“Acquirer”), along with Mars Nederland BV (“PAC”), in the PAC’s capacity as a person acting in concert with the Acquirer for the purposes of this Offer. Save and except for the PAC, no other person is acting in concert with the Acquirer for the purposes of this Offer.

This public announcement (“**Public Announcement**”) is being issued by Morgan Stanley India Company Private Limited (“**Manager to the Offer**”) for and on behalf of the Acquirer and the PAC, to the Public Shareholders (as defined below) of the Target Company pursuant to and in compliance with Regulation 3(1) read with Regulations 5(1), 4 and 5(2), and other applicable regulations of the SEBI (SAST) Regulations.

For the purpose of this Public Announcement, “Public Shareholders” shall mean all the equity shareholders of the Target Company excluding (i) the shareholders forming a part of the promoter/ promoter group of the Target Company; (ii) parties to the SPA (as defined below); (iii) PAC; and (iv) the persons acting in concert or deemed to be acting in concert with the persons set out in (i), (ii) and (iii).

1. Offer Details

- 1.1 **Offer Size:** Up to 6,61,190 (six lakh sixty one thousand one hundred and ninety) fully paid-up Equity Shares, representing approximately 25.77% (twenty five point seventy-seven percent) of the issued and fully paid-up equity share capital of the Target Company (“**Equity Share Capital**”), as of the 10th (tenth) working day from the closure of the tendering period for the Offer, subject to the terms and conditions mentioned in this Public Announcement, the detailed public statement (“**DPS**”) and the letter of offer (“**LoF**”) to be issued for the Offer in accordance with the SEBI (SAST) Regulations.
- 1.2 **Price:** INR 5,323.87 (Indian Rupees five thousand three hundred and twenty three point eighty seven) per Equity Share (“**Offer Price**”). Assuming full acceptance of the Offer, the total consideration payable by the Acquirer in accordance with the SEBI (SAST) Regulations will be INR 352,00,89,605.30 (Indian Rupees three hundred and fifty two crore eighty nine lakh six hundred and five point thirty). The Offer Price has been calculated in accordance with Regulation 8 of the SEBI (SAST) Regulations. In terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations, the Equity Shares of the Target Company are ‘frequently traded shares’.
- 1.3 **Mode of payment:** The Offer Price will be paid in cash by the Acquirer, in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations and the terms and conditions mentioned in this Public Announcement, the DPS and the LoF.

- 1.4 **Type of offer:** The Offer is a mandatory open offer made by the Acquirer and the PAC in compliance with Regulation 3(1) read with Regulations 5(1), 4 and 5(2) of the SEBI (SAST) Regulations. The thresholds specified under Regulation 5(2) of the SEBI (SAST) Regulations are applicable. This Offer is not subject to any minimum level of acceptance.

2. **Transaction which has triggered the Offer obligations (Underlying Transaction)**

The Acquirer has entered into a stock purchase agreement dated August 14, 2017 with Kagome Co., Ltd. (“**Kagome**”), ASG-Omni, LLC, Preferred Brands International, Inc. (“**Offshore Parent Company**”) and Mr. Ashok Vasudevan as the exclusive representative of the Offshore Parent Company’s stockholders (such agreement, the “**SPA**”) to acquire: (i) 100% (one hundred percent) of the common stock of, the Offshore Parent Company, a parent company of the Target Company; and (ii) 300 (three hundred) Equity Shares of the Target Company (representing approximately 0.01% (zero point zero one percent) of the Equity Share Capital) held by Kagome (such acquisitions collectively referred to as the “**Underlying Transaction**”). The Underlying Transaction is subject to certain conditions.

The Offshore Parent Company is a Delaware corporation, having its registered office at 3 Landmark Square, 5th Floor, Stamford, Connecticut 06901, United States of America. The Offshore Parent Company holds the entire equity share capital of Preferred Brands Foods (India) Private Limited (“**Indian Parent Company**”). The Indian Parent Company is the direct holder of 19,04,510 (nineteen lakh four thousand five hundred and ten) Equity Shares representing approximately 74.22% (seventy-four point twenty-two percent) of the Equity Share Capital of the Target Company, and 59,530 (fifty-nine thousand five hundred and thirty) 1% non-cumulative, non-convertible, redeemable fully paid-up preference shares of face value of INR 100 (Indian Rupees one hundred) each (“**Preference Shares**”), representing 100% (one hundred percent) of the total issued and fully paid-up preference share capital of the Target Company (“**Preference Share Capital**”).

The PAC is not a party to the SPA. The PAC has provided financial assistance by way of an inter-company loan to the Acquirer for the Acquirer to satisfy its financial obligations under the SPA and under this Offer.

Details of Underlying Transaction						
Type of Transaction	Mode of Transaction	Shares/ Voting rights acquired/ proposed to be acquired		Total Consideration for shares/ voting rights acquired	Mode of payment	Regulation which has triggered
		Number	% vis-a-vis total equity/ voting capital			
Indirect acquisition of the Target Company by the Acquirer pursuant to the Underlying Transaction. This indirect acquisition is a deemed direct	The Acquirer has entered into the SPA for the Underlying Transaction. Pursuant to the SPA, the Acquirer will own and control the Offshore Parent Company, which will, among other things, result in the indirect acquisition of the majority of voting rights in and control over the	1,88,79,016 (one crore eighty eight lakh seventy nine thousand and sixteen) common stock of the Offshore Parent Company (representing 100% (one hundred percent) of its common stock). The Offshore Parent Company indirectly owns 19,04,510 (nineteen lakh four	As a result of the Underlying Transaction, the Acquirer will directly and indirectly acquire approximately 74.23% (seventy-four point twenty-three percent) of the Equity Share Capital of the Target Company (not taking into account the Equity Shares validly accepted in the Offer, if any).	With respect to the acquisition of shares of the Offshore Parent Company, the total consideration payable by the Acquirer is USD 172,826,152 (United States Dollar one hundred and seventy two million eight hundred and twenty six thousand one	With respect to the consideration payable for the shares of the Offshore Parent Company, the mode of payment is cash.	Regulation 3(1) read with Regulations 5(1), 4 and 5(2) of the SEBI (SAST) Regulations.

Details of Underlying Transaction						
Type of Transaction	Mode of Transaction	Shares/ Voting rights acquired/ proposed to be acquired		Total Consideration for shares/ voting rights acquired	Mode of payment	Regulation which has triggered
		Number	% vis-a-vis total equity/ voting capital			
acquisition under Regulation 5(2) of the SEBI (SAST) Regulations.	Target Company, by the Acquirer.	thousand five hundred and ten) Equity Shares. 300 (three hundred) Equity Shares of the Target Company. Therefore, as a result of the Underlying Transaction, the Acquirer will directly and indirectly acquire 19,04,810 (nineteen lakh four thousand eight hundred and ten) Equity Shares representing approximately 74.23% (seventy four point twenty three percent) of the Equity Share Capital of the Target Company (not taking into account the Equity Shares validly accepted in the Offer, if any).		hundred and fifty two) / INR 11,090,133,196 (Indian Rupees eleven billion ninety million one hundred and thirty three thousand one hundred and ninety six). With respect to the direct acquisition of 300 (three hundred) Equity Shares of the Target Company from Kagome, the total consideration payable by the Acquirer is INR 11,33,595 (Indian Rupees eleven lakh thirty three thousand five hundred and ninety five).	With respect to the acquisition of 300 (three hundred) Equity Shares of the Target Company, the mode of payment is cash.	

3. Acquirer and PAC

Details	Acquirer	PAC	Total
Name of the Acquirer/person acting in concert	Effem Holdings Limited	Mars Nederland BV	Not applicable
Address	3D Dundee Road, Slough, SL1 4LG, United Kingdom	Taylorweg 5, Veghel, 5466 AE, Netherlands	Not applicable
Name(s) of persons in control/promoters of acquirer/ person acting in concert where acquirer/	Acquirer is wholly owned by Wrigley International Holding Company and is an indirect subsidiary of Mars,	The PAC is wholly owned by the Acquirer and is an indirect subsidiary of Mars, Incorporated.	Not applicable

Details	Acquirer	PAC	Total
person acting in concert is a company	Incorporated.		
Name of the Group, if any, to which the acquirer/person acting in concert belongs to	Mars, Incorporated group of companies.	Mars, Incorporated group of companies.	Not applicable
Pre-Transaction shareholding (% of total share capital)	NIL	NIL	NIL
Pre-Transaction shareholding (number)	NIL	NIL	NIL
Proposed shareholding after the acquisition of Equity Shares which triggered the Offer (not taking into account the Equity Shares validly accepted in the Offer, if any)	The Acquirer will indirectly acquire 19,04,510 (nineteen lakh four thousand five hundred and ten) Equity Shares (representing approximately 74.22% (seventy-four point twenty-two percent) of the Equity Share Capital), and 59,530 (fifty-nine thousand five hundred and thirty) Preference Shares (representing 100% (one hundred percent) of the Preference Share Capital), through the Offshore Parent Company and the Indian Parent Company, on completion of the Underlying Transaction. The Acquirer will directly acquire 300 (three hundred) Equity Shares (representing approximately 0.01% (zero point zero one percent) of the Equity Share Capital), on the completion of the Underlying Transaction.	NIL	The Acquirer will indirectly acquire 19,04,510 (nineteen lakh four thousand five hundred and ten) Equity Shares (representing approximately 74.22% (seventy-four point twenty-two percent) of the Equity Share Capital) and 59,530 (fifty-nine thousand five hundred and thirty) Preference Shares (representing 100% (one hundred percent) of the Preference Share Capital), through the Offshore Parent Company and the Indian Parent Company, on completion of the Underlying Transaction. The Acquirer will directly acquire 300 (three hundred) Equity Shares (representing approximately 0.01% (zero point zero one percent) of the Equity Share Capital), on the completion of the Underlying Transaction.
Any other interest in the Target Company	None	None	Not applicable

4. **Details of selling shareholders, if applicable:** Not applicable for the acquisition of shares of the Offshore Parent Company by the Acquirer as the Offer is being made as a result of an indirect acquisition of control over the Target Company.

However, Kagome has agreed to sell 300 (three hundred) Equity Shares to the Acquirer under the SPA. Kagome is a company incorporated under the laws of Japan with Corporate Registration Number 1800-01-035109. Its registered office is located at 3 Chome 14–15, Nishiki, Naka Ward, Nagoya, Aichi Prefecture, Japan 460-0003.

Name	Part of Promoters (Yes/No)	Details of shares/ voting rights held by the selling shareholders			
		Pre-Transaction		Post-Transaction	
		Number of shares	% vis-a-vis total equity/ voting capital of the Target Company	Number	% vis-a-vis total equity/ voting capital of the Target Company
Kagome Co., Ltd.	Yes	Kagome holds 1,32,15,311 (one crore thirty two lakh fifteen thousand three hundred and eleven) shares of the Offshore Parent Company. The Offshore Parent Company indirectly holds 19,04,510 (nineteen lakh four thousand five hundred and ten) Equity Shares and 59,530 (fifty-nine thousand five hundred and thirty) Preference Shares of the Target Company. Kagome directly holds 300 (three hundred) Equity Shares.	Kagome holds approximately 70% (seventy percent) of the share capital of the Offshore Parent Company. The Offshore Parent Company indirectly holds approximately 74.22% (seventy-four point twenty-two percent) of the Equity Share Capital and 100% (one hundred percent) of the Preference Share Capital, through the Indian Parent Company. Kagome directly holds approximately 0.01% (zero point zero one percent) of the Equity Share Capital of the Target Company.	NIL	NIL

5. **Target Company**

Name: Tasty Bite Eatables Limited

Registered Office: 201-202, Mayfair Towers, Wakdewadi, Shivajinagar, Pune – 411 005 Maharashtra

Exchanges where listed: BSE Limited (Scrip Code: 519091) and the National Stock Exchange of India Limited (Scrip ID: TASTYBITE)

ISIN Code: INE 488B01017

6. Other Details

- 6.1 The DPS pursuant to this Public Announcement, which will contain further information about the Offer, including the background to the Offer, detailed information on the Offer Price, details of the SPA including the conditions precedent thereunder, detailed information on the Acquirer, the PAC and the Target Company and the statutory approvals, if any, required for the Offer, shall be published in newspaper(s) not later than 5 (five) working days from the date of this Public Announcement (being August 23, 2017), in accordance with Regulation 13(4) and other applicable provisions of the SEBI (SAST) Regulations.
- 6.2 The Acquirer and the PAC undertake that they are fully aware of and will comply with their obligations under the SEBI (SAST) Regulations and that they have adequate financial resources to meet their obligations in relation to the Offer and have made firm financial arrangements for financing the acquisition of the Equity Shares tendered in the Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations.
- 6.3 This Public Announcement is not being issued pursuant to a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 6.4 The Offer is not conditional upon any minimum level of acceptance, under Regulation 19 of the SEBI (SAST) Regulations.
- 6.5 Completion of the Offer is subject to receipt of applicable statutory approvals, if any, and other conditions precedent in relation to the Underlying Transaction, to be detailed in the DPS and the LoF for this Offer.
- 6.6 In this Public Announcement, all references to “INR” are references to the Indian Rupees. At some places “USD” has been used, which represents the currency of the United States of America. Certain data presented in USD in this Public Announcement has been converted into INR at the following RBI reference rate as on August 11, 2017: 1 USD = INR 64.1693 (Source: Reserve Bank of India: www.rbi.org.in/scripts/referenceratearchive.aspx).
- 6.7 The Acquirer, the PAC and their respective directors accept full responsibility for the information contained in this Public Announcement (other than information regarding the Offshore Parent Company, the Indian Parent Company, the other parties to the SPA, the Target Company and Kagome and information that has been obtained from public sources, which has not been independently verified by the Acquirer, the PAC or the Manager to the Offer).
- 6.8 All information in relation to the Target Company contained in the Public Announcement is based on publically available information.

Issued by the Manager to the Offer

Morgan Stanley India Company Private Limited

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Place: Mumbai

Date: August 14, 2017

For and on behalf of Effem Holdings Limited

signed

Name: Peter Seka and Alistair Mackworth Gee

Designation: Authorised Signatories

For and on behalf of Mars Nederland BV

signed

Name: Peter Seka and Alistair Mackworth Gee

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