TASTY BITE

Tasty Bite Eatables Limited

The Board of Directors of Tasty Bite Eatables Limited have on February 8th 2022, announced the results for the third quarter (October – December 2021). Key highlights of the performance and an update on important initiatives that the company has undertaken during this period are provided.

Key Highlights:

- COVID Impact appears fully absorbed with this quarter's results.
- US consumer market for Tasty Bite ends record year of growth
- Tasty Bite Food service business back on growth trajectory
- New Capex being commissioned to address growth in 2022 & beyond
- Search for new Managing Director is on

Performance Highlights

- Revenues for the quarter at `INR 762 Mn reflecting a revenue drop of 38.4% over last year. For the nine months of the year, revenues of `INR 2,813 Mn reflect 1.5% growth over the same period LY.

- TBEL Consumer Business revenue (exports to US and other markets) dropped 12% in the nine month period. However PBI, our largest customer just closed 2022 with record revenues. This mismatch in revenues was driven by the excess inventory in the pipeline that PBI had to run down. This has cleared the pipeline and the orderbook for TBEL now appears robust

- Food Service revenue grew more than 50% in the nine month period as last year business was significantly impacted on account of nationwide lockdown due to COVID-19. In current quarter, Food Service revenue grew by 14%.

- Food Service exports are on increasing trend as we see traction towards speciality vegetarian products in Southeast Asia and Middle East. We expect that demand for specialty vegetarian products is continuing to increase over time given the quality, variety and cost competitiveness of the Company's products.

- Govt's discontinuation of Transport and Marketing Assistance Scheme (TMA) and Merchandise Exports from India Scheme (MEIS) eroded export benefits and impacted earnings by 2.7%. The new scheme -Remission of Duties and Taxes over Exported Products (RoDTEP) only replaces 28% of MEIS. Despite this drop, we will strive to retain gross margins due to a combination of price increase and efficiency.

- Material costs for the quarter is at 65.5% of revenues, 400 bps higher than last year (61.5%). Higher commodity rates of oils, packing materials, business mix impact, lower incentives income and inventory provisions were all contributors.

Tasty Bite Eatables Ltd. Pune

Regd. Off. : 201/202, Mayfair Tower, Wakdewadi, Shivajinagar, Pune - 411 005, India.
Tel.: + 91 20 3021 6000, 2553 1105 Fax: + 91 20 3021 6048, E-mail : info@tastybite.com
Factory : Gat No. 490, Bhandgaon, Pune Solapur Highway, Tal. Daund, Dist. Pune - 412214. Tel.: + 91 2117 306500
Website : www.tastybite.co.in, CIN : L15419PN1985PLC037347

Tasty Bite Eatables Limited

- EBITDA margin of the business for this quarter and for the nine-month period ended December 2021 are 5.6% and 11.1% respectively as against 18.1% in Q3 FY21 and 16.8% for the nine-month period ended December 2020. This is primarily impacted by lower revenues, lower incentives income and higher material costs.

- Board reviewed in detail the status of capital expansion plan in last board meeting. Capex plan will be completed by 2023. This will ensure modernisation of the plant as well as new TBRC. This enhanced capacity will take us through for next 3 years thereby securing supplies for our customers.

<u>Safe Harbor Statement</u>

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.