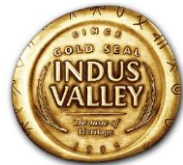




LT Foods



Investor Presentation

March 2019

This presentation and the accompanying slides (the “Presentation”), which have been prepared by LT Foods Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contractor binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.



LT Foods – At a glance



LT Foods Limited is a leading rice-based food company with strong global brands of basmati and other specialty rice, organic foods and rice-based convenience products



Iconic Brands

“DAAWAT” - the flagship brand is the leading brand in India and 65+ countries

“Royal” - the No. 1 and the largest selling basmati rice brand in North America



FY18 Financials

Net Sales	Net Profit	EBITDA	EPS
₹ 3650 crs	₹ 144 crs	₹ 414 crs	₹ 4.8

Integrated Operations – ‘Farm to Fork’

Integrated operations span across the entire rice value chain

Operations include contract farming, procurement, storage, processing, packaging, and distribution

Strong Global Footprint

Presence across 65 countries

Established ground presence in the US, Europe and Middle East territories

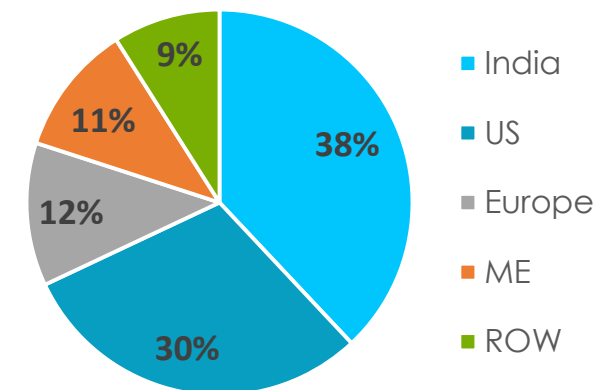
Manufacturing facility in Rotterdam (Netherlands) and three packaging facilities in the US along with 5 manufacturing facilities in India

Wide Distribution Network

Access to 1,50,000 retail outlets, 3,600 wholesalers, and 2,500 modern trade stores

40 international distributors to cater to the global market

FY18 Revenue by Geography



Our journey of 50 years from a bulk rice player to a leading rice-based food company with strong global brands of basmati and other specialty rice, organic foods and rice-based convenience products



Foundation

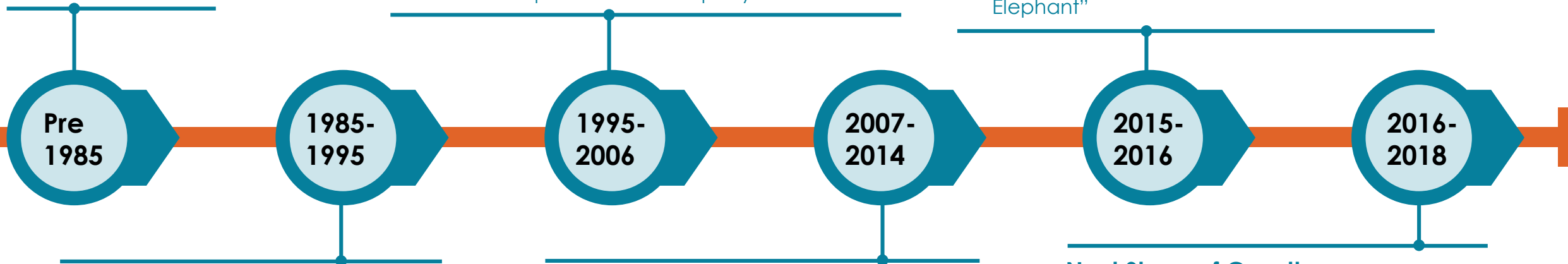
- ✓ 1950s- Founded by the Arora Family
- ✓ 1978- 1st Rice mill

Focus on Brands and Product Value Chain

- ✓ Presence extended to 35+ countries
- ✓ Became a public listed company

Strategic Acquisitions

- ✓ Expanded our presence to 65+ countries
- ✓ Launched "Ecolife" in USA & India (limited channels)
- ✓ Acquired "Gold Seal Indus Valley", "Rozana", "817 Elephant"



Pre
1985

1985-
1995

1995-
2006

2007-
2014

2015-
2016

2016-
2018

Focus on B2B (Private Label)

- ✓ Incorporation of LT Overseas Ltd
- ✓ 1980s - Launched 'DAAWAT' brand
- ✓ 'DAAWAT' launched internationally in 20 countries

Globalization

- ✓ Acquired 'Royal' brand in US
- ✓ Infusion of equity by Rabobank - India agri business fund
- ✓ DAAWAT- Leading position among basmati rice brands in India
- ✓ Launched value added staples

Next Stage of Growth

- ✓ Launched premium rice based snacks "Kari Kari" through a JV
- ✓ Inaugurated new facility in the US for Ready to Heat products
- ✓ Commenced operations in Rotterdam, Netherlands
- ✓ Launched the new avatar of "DAAWAT"
- ✓ Renowned investors have invested through QIP
- ✓ Equity infusion by Rabo PE fund in Nature Bio Foods

Drivers of Growth



**Creating
Enduring
Value**

**Building
Strong
Brands**

**Deepening
Global
Presence**



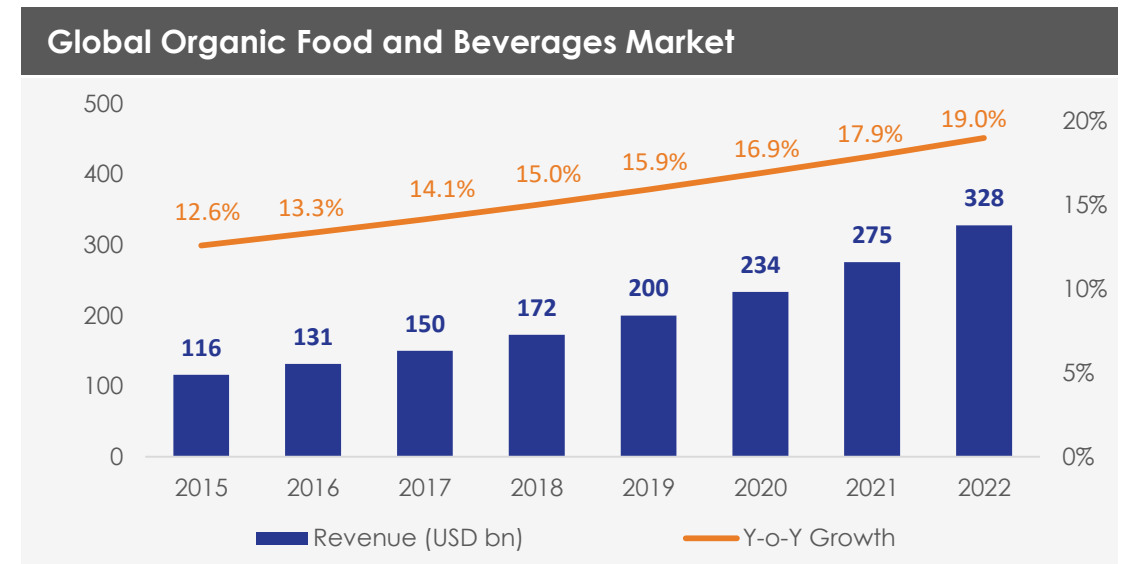
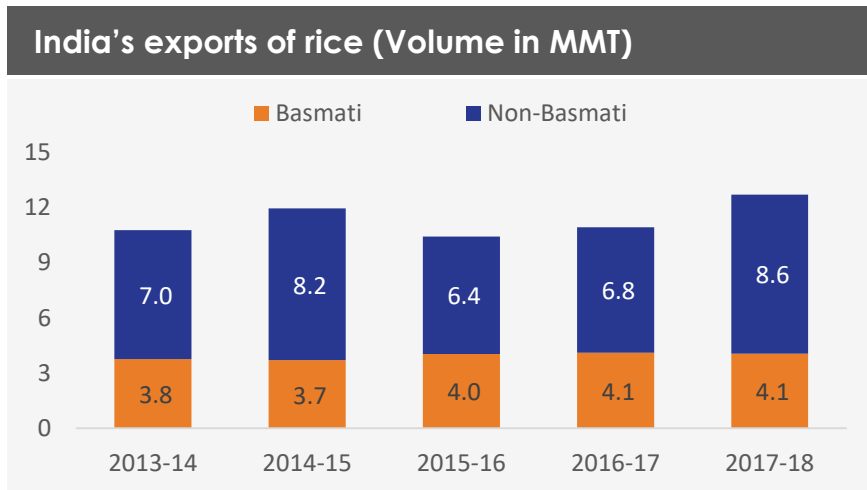
Creating Enduring Value



The opportunity landscape of quality food segment

- In 2017, India accounted for 23% of global rice production. India is also one of the greatest consumers of rice, (97 m tonnes in 2017).
- 'Basmati' rice is the most premium, with superior product characteristics. India and Pakistan, are the only suppliers of Basmati in the world. Total size of the industry is 7 MMT.
- Indian Basmati rice industry has grown to 2 MMT from 1.2 MMT in last 5 years.
- Rising disposable income; increasingly spending on premium quality grains is benefiting the basmati rice market.
- Majority of Basmati is exported (around 75%). Overseas markets for Basmati include the Middle East, U.S., U.K. and parts of EU.
- The Basmati Exports grew by over 11.13% in value terms during FY2018 over the previous year ¹.
- **The outlook for the Indian Basmati rice industry continues to be favourable, supported by demand improvement from the international market and potential upside from branded demand/ premiumisation domestically.**

- Rising affluence and urbanisation are changing consumption patterns in India.
- Consumer behaviour and spending patterns are shifting with evolving Indian society and rising income.
- Convenience food and health food are the two emerging trends arising out of the changing demographics of the country.
- Organic food now has become a viable alternative for an increasing number of consumers. Organic packaged food and beverages is an emerging niche market in India.
- **The global organic food and beverages market is expected to reach \$323.09 billion by 2024 ².**



1 - Source: APEDA

2 - Allied market research

Driven by 'Farm to Fork' – our integrated business model...

Robust backward integration through partnerships with farmers under Sustainable Rice Production Programs.

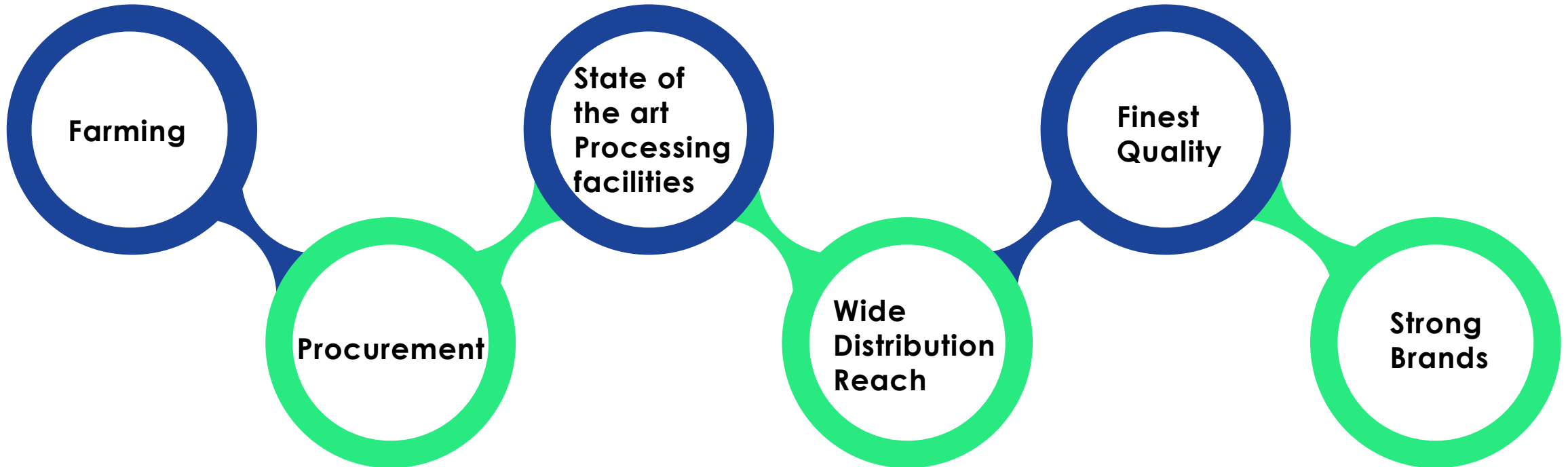
Provides technical knowhow to farmers for rice farming.

Associated with 80,000+ farmers for Organic food.

State-of the-art packaging facilities not only in India but US and Europe as well.

Continuous innovation of processes and systems to enhance competitive position and improve business process efficiencies.

All facilities certified by internationally acclaimed third-party certification and accreditation bodies.



A wide procurement network with strong quality control across all mandis.

Present across 234 mandis with 270 agents.

Strong relationships built with traders/mandis.

Strong Pan-India distribution serving 1,50,000+ retail outlets, 3,600 wholesalers, and 2,500 modern trade stores. Robust presence in HoReCa.

Leading direct reach coverage across the globe.

Brands with an offering for every occasion and every recipe.

DAAWAT - Leading brand in India and 65+ countries; Royal - Largest selling basmati rice brand in the North America.

...and our Integrated Manufacturing

	Sonepat (Bahalgarh)	Sonepat (Kamaspur)	Bhopal	Amritsar	Varpal
Rice Capacity (TPH)	43	5 (organic rice)	35	6	12
Key products	Raw rice	Organic rice and snack	Rice, plain chips, chips seasoning, rice/wheat flour, brown rice	Rice and parboiled rice	Rice (golden, creamy, boiled, parboiled and raw)
Accreditation	ISO, SQF, BRC, SA, Kosher, OU, Halal	ISO, NOP, NPOP, EEC and Kosher	FSSC, Halal, Kosher and BRC	ISO	FSSC and BRC



Perfectly positioned to leverage on the growing opportunity

Our Business Segments

Branded Business

- Includes the flagship brand 'DAAWAT' & 'Royal' (No. 1 in US)
- Other brands in this segment include Indus Valley, 817 Elephant, Heritage, Devaaya and Rozana

Private Label

- Deals with large institutional customers
- Long-term partnerships across geographies

Organic

- Providing authentic organic ingredients to global consumers. Diverse portfolio, comprising of cereal grains, flour, Pulses, Oil and Oil Seeds, Nuts, Spices, Herbs, Millets and Sweeteners

New Products

- Innovative products for health conscious and convenience-seeking Consumers
- Includes brown basmati, rice based sauces and snacks

Direct customers

Established channel partners across all segments

Large institutional customers

Institutional customers & direct consumers

Established channel partners across all segments

Brands

DAAWAT, Royal, Gold Seal Indus Valley, Rozana, Heritage, 817 Elephant

Mars, Okam, Trader's Joe

Majorly a B-to-B business; recently launched Ecolife brand

Under brand DAAWAT, Kari-Kari

FY18 Revenue share

~60%

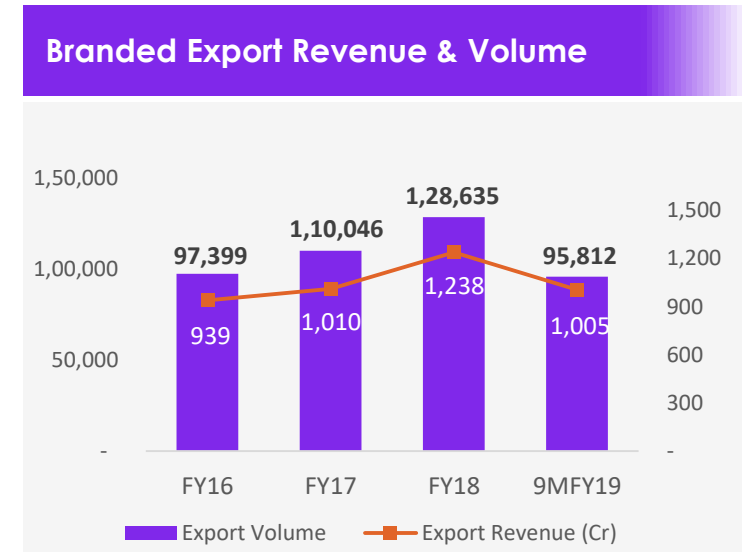
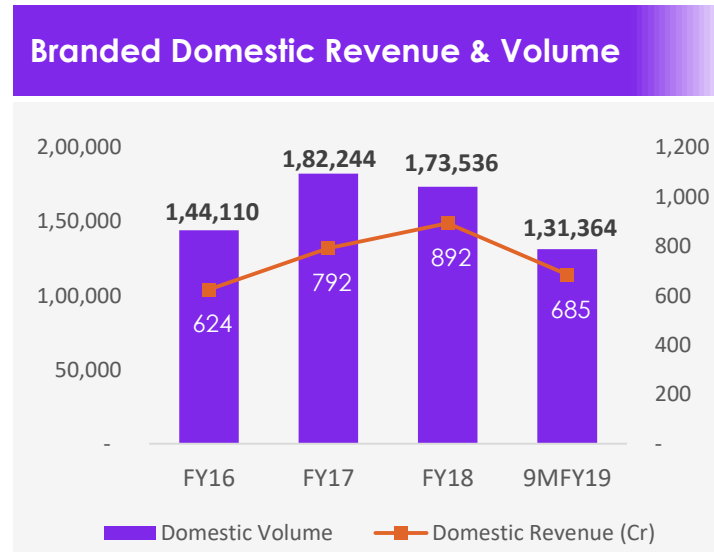
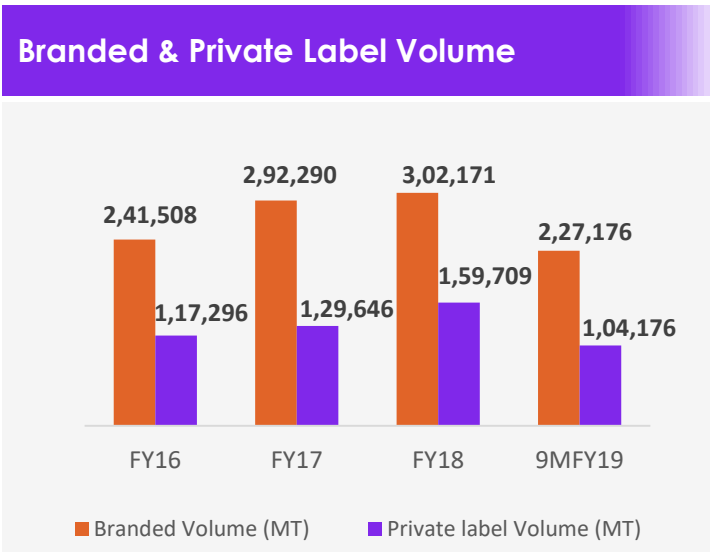
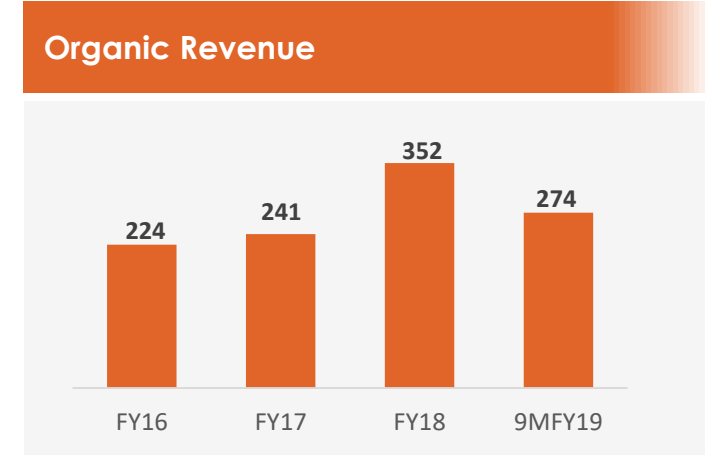
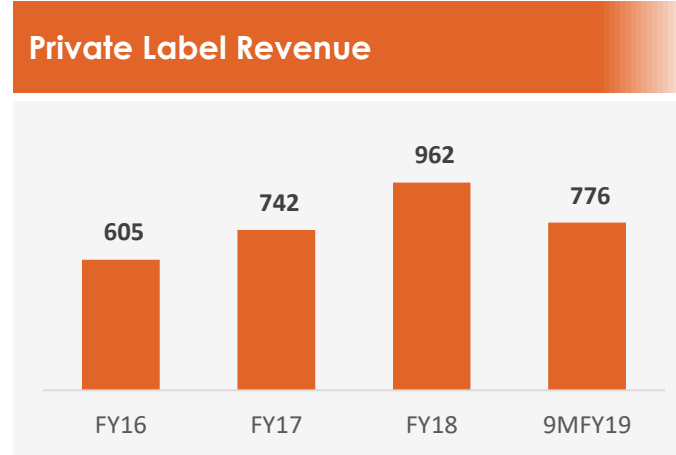
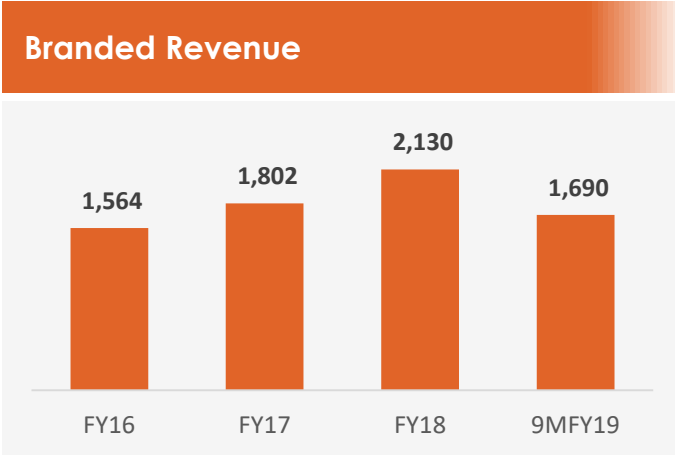
~26%

~10%

~4%

Business segment performance over the years (ending 9MFY19)

All Figures in Rs Cr unless specified



Raising the bar through continuous innovation

Product Innovation

- ✓ Two product innovation centres, one in Gurugram, India and one in California, USA, with a team of dedicated research personnel.
- ✓ In the process of developing additional products to expand its range of convenience foods and develop a healthy snack segment.
- ✓ Products under development include '90 second ready-to-heat' pouched rice, fortified rice and '5 minute meal-in-a-cup'.

- ✓ **'DAAWAT Rozana Gold Plus'** - a unique blend of flavoursome white basmati and fibre rich Brown Rice.
- ✓ This product leverages the innovative concept of introducing a 'high fiber blend' into the basmati rice category.



- ✓ 15 minute **DAAWAT Quick-Cooking Brown Rice** range.
- ✓ Made using the unique hydration enhancement technology (HET) which moisturizes the bran layer. This helps water penetrate the grain easily while cooking.



- ✓ Successful launch of premium rice-based snacks brand **'Kari Kari'** for the Indian market.



- ✓ DAAWAT Sauté Sauces

Building Strong Brands



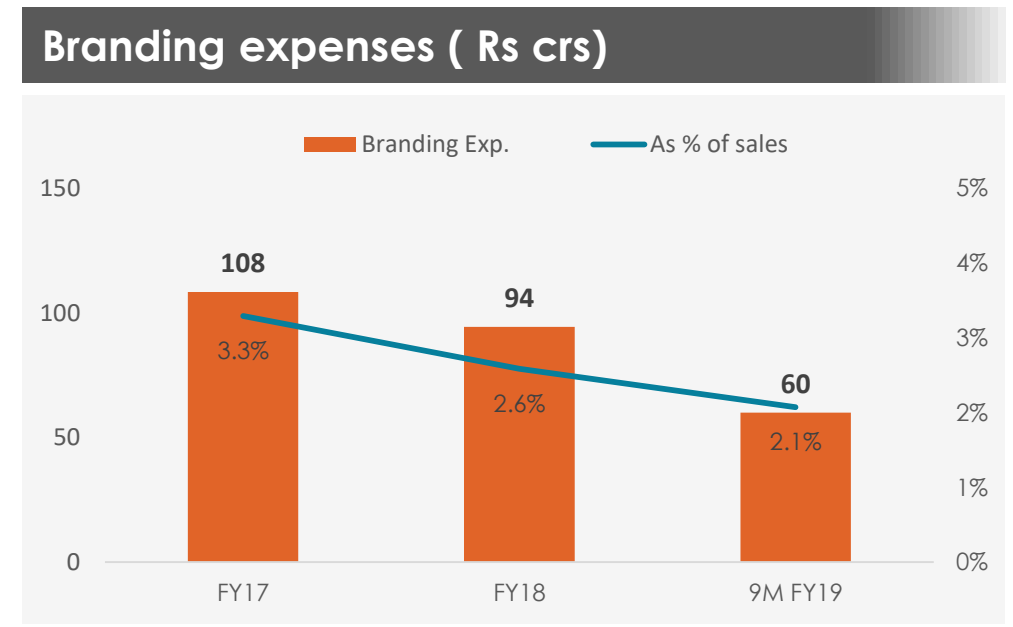
Our strong brands drive superiority in core markets

29% Market share in India – Rural & Urban



30% Market share in India – Modern Trade

45% Market share of US basmati segment



Source : AC Nielsen Q4-18

Our strong brand portfolio

Wide range of brands, with an offering for every occasion and every recipe, enabling it to cater to various customer segments, across income groups



The flagship brand, with a legacy of over 30 years, offers premium quality basmati rice



Strengthening our position in Saudi Arabia, UAE and Kuwait



The No. 1 and the largest selling basmati rice brand in the US



Leading brand in markets like Western India, Mauritius and Iraq



The organic food range includes rice, pulses, oil seeds, cereal grains, spices, nuts, fruits, and vegetables



Targeting the Indian & Middle Eastern ethnic population in US and Canada



Offers branded Basmati rice and staples like wheat flour, refined flour, flattened rice, chickpea flour, and semolina



Premium rice based snacks brand. Test launched in India via a JV with a Japanese snack food major Kameda Seika



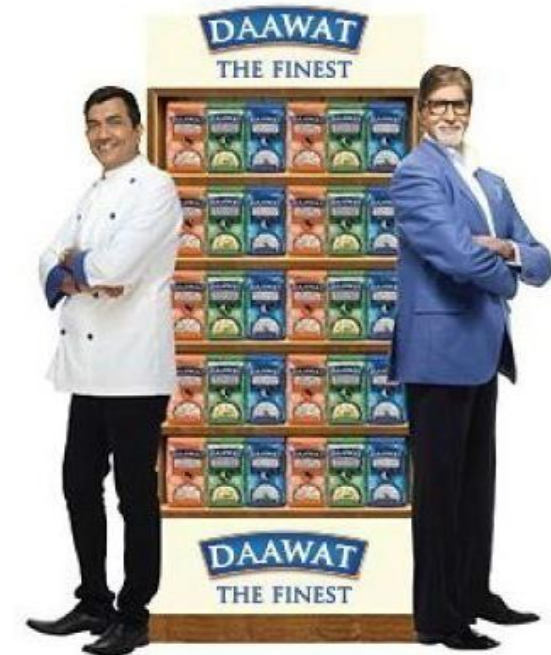
Brand DAAWAT (The Finest)

Leading brand in 65+ countries A legacy of over 30 years

- Offering premium quality basmati rice across all points in India and globally.
- Consumer need based product range – recipe variants such as biryani and pulao, food service cooking need based range - DAAWAT Chef's secretz
- Equity extended to NPD - seven flavourful DAAWAT Rice Saute Sauces, DAAWAT Fast Cooking Brown Basmati Rice and DAAWAT Rozana Gold Plus.

29%+ share in branded rice market in India

35%+ market share in Premium segment



Brand Royal (No. 1 in US)

Largest selling basmati rice brand in the US

- The brand's product portfolio consists of Basmati rice, Jasmine rice, Arborio rice, wheat flour, and flavoured rice.
- Leveraging the brand's equity and distribution network, to expand the product portfolio in the US market.
- Introduced atta under the Royal brand

45%+ share of the US basmati rice segment

39%+ share of the branded segment



Organic foods - Ecolife

Organic business is one of the fastest growing segments in LT Foods

- Nature Bio Foods Limited (wholly owned subsidiary), has emerged as a trustworthy and innovative global leader in providing authentic organic ingredients to the global consumers.
- NBFL - engaged in the organic foods business since 1997.
- Ecolife – Recently launched organic food brand.
- Range includes rice, pulses, oil seeds, cereal grains, spices and nuts.
- Introducing a range of organic “ready to heat” products for the overseas market with a facility in the United States.

44% CAGR
between 2013 and 2018.

90% of business is from export sales

First organic company in the country to be conferred with the coveted CII Food Safety Award

ecoLife





Deepening Global Presence



LT Foods is a globally significant player

Broadening our footprint globally, presence in 65 countries

USA; Canada

- #1 with 45% market share
- Presence with flagship brand 'Royal' and acquired brand '817 Elephant'

UK; Europe

- Well-entrenched sales network Operating 60,000 MT rice processing plant at Rotterdam
- Strengthening presence with DAAWAT brand

Middle East

- Brand '817 Elephant' helped penetration into ethnic population of ME.
- Strengthening presence in Saudi Arabia, UAE and Kuwait with acquisition of 'Indus Valley' & 'Rozana' brands

Australia

- Presence with strong sales network

India

- Strong player with 29% market share
- 5 Manufacturing Facilities with total 100 + TPH capacity



Augmented our capabilities in geographies where already present - such as the US and the EU; and building strengths in others like the Middle East.

- Commenced operations of manufacturing facility in Rotterdam, Netherlands, with a capacity of 60,000 metric tonnes per annum.
- In Europe, new processing unit will help save on the heavy import duty of 170 Euro/MT on white basmati rice.
- Established a ready-to-heat plant in Houston, USA.
- Organic business - subsidiaries in Netherlands and USA to cater more intensively to customers.
- Acquired brands of Gold Seal Indus Valley and Rozana are steadily growing, and improving our position within the Middle-East markets.
- Also helped us enter into specific new markets of Qatar, Oman, and Bahrain. Leveraging these brands, reinforced our existing presence in Saudi Arabia, UAE and Kuwait.
- Brand '817 Elephant' acquisition is helping in strengthen our presence in Canada, USA, Australia, and Israel.

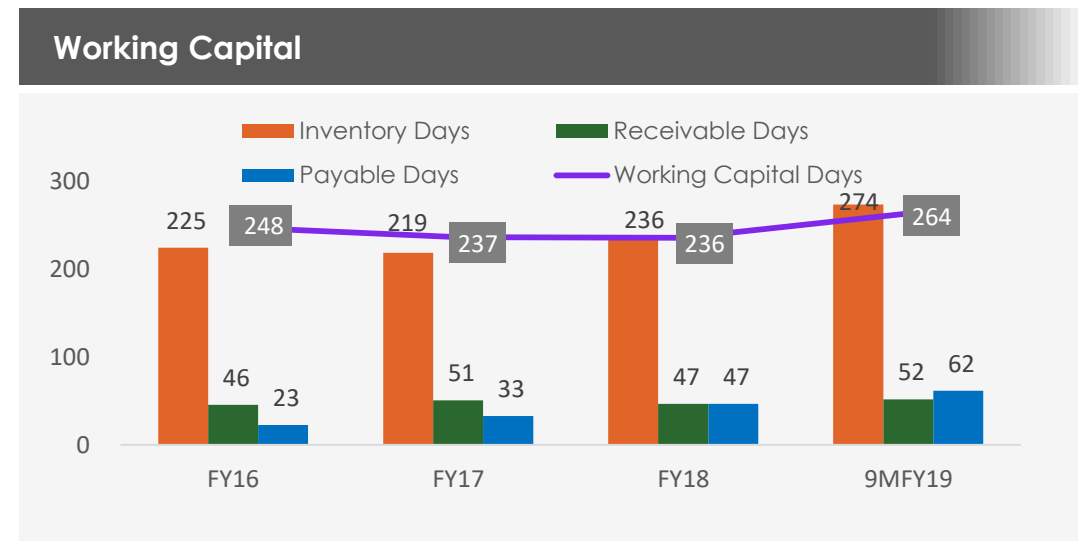
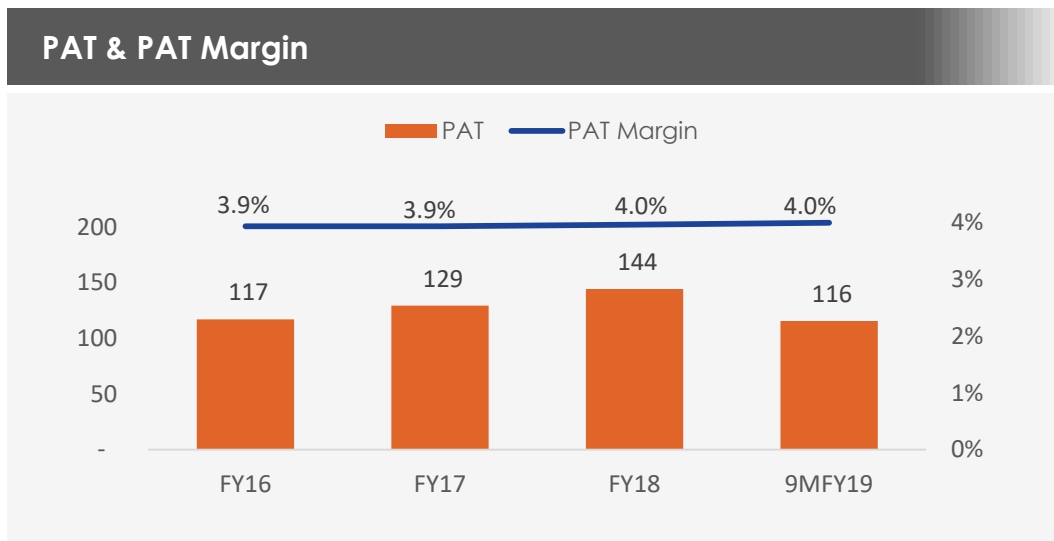
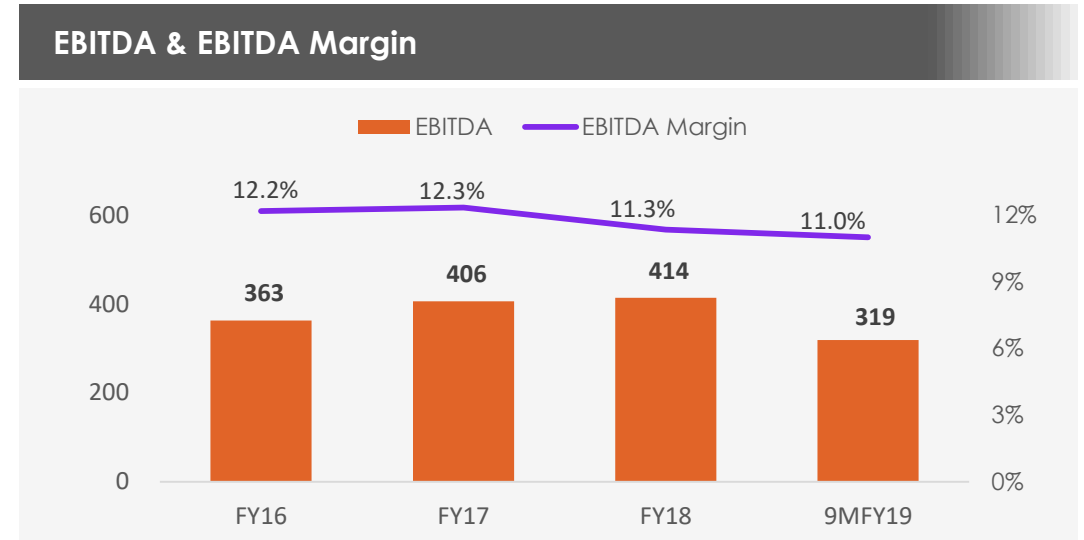
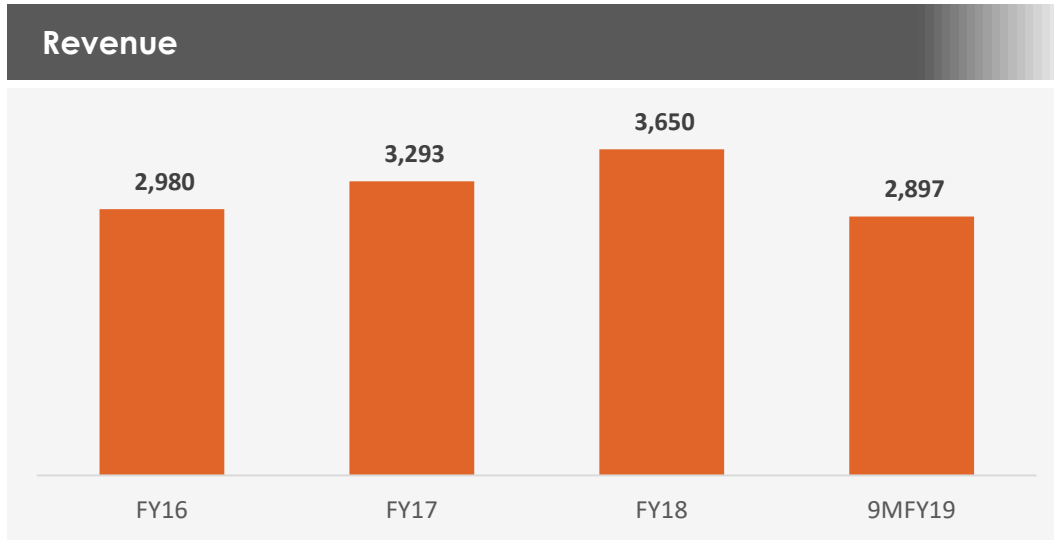


Financials



Our growth through the years (ending 9MFY19)

All Figures in Rs Cr unless specified

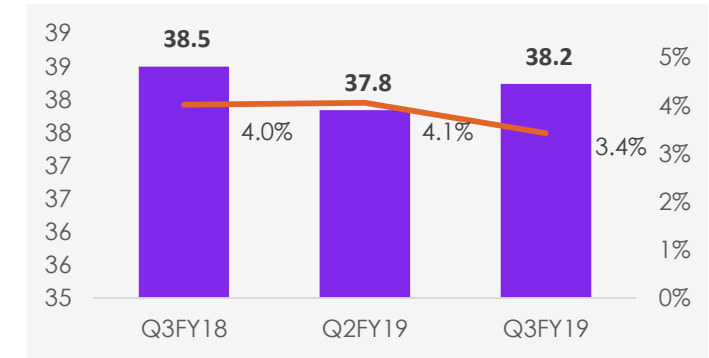
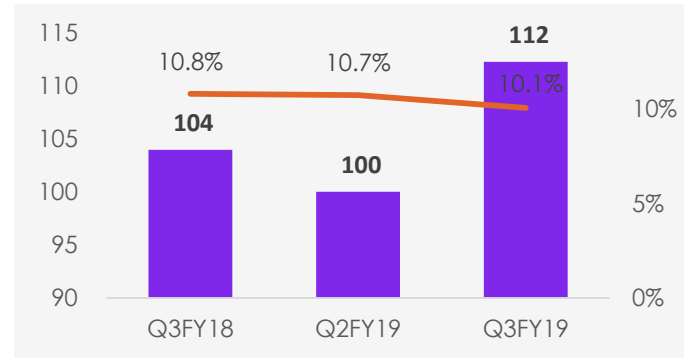
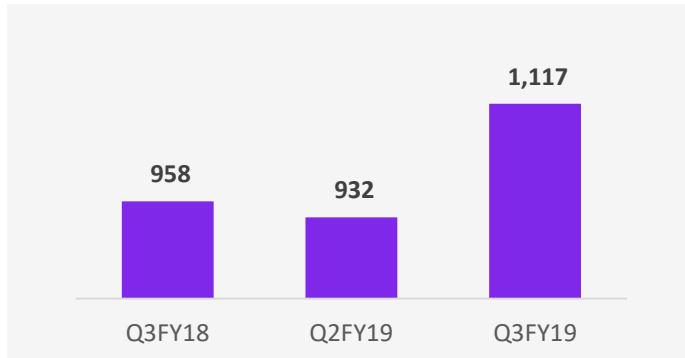


Earnings highlights - Q3FY19 & 9MFY19

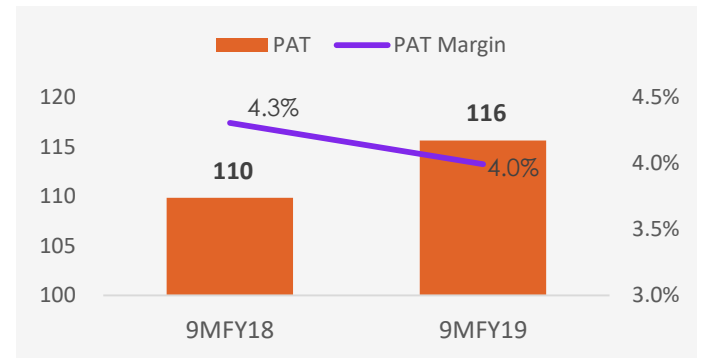
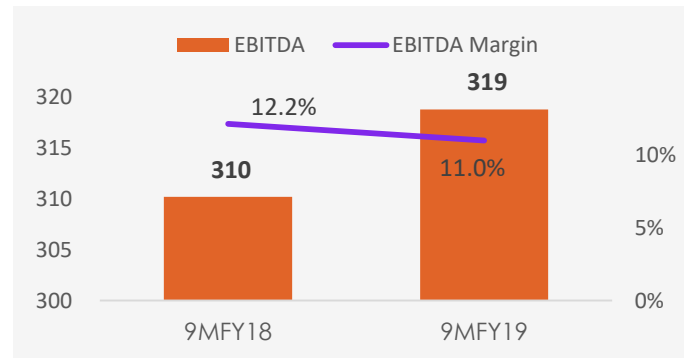
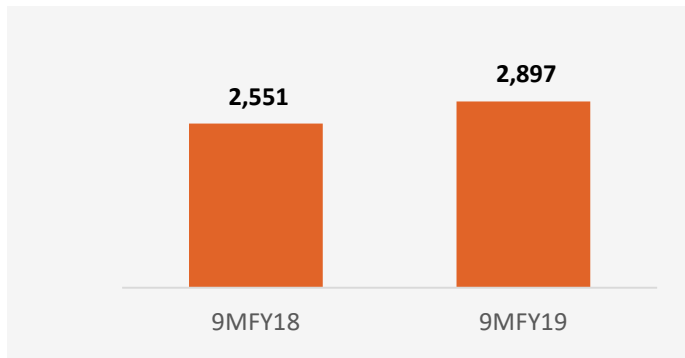
All Figures in Rs Cr unless specified
Quarterly % growth is YoY



Q3FY19



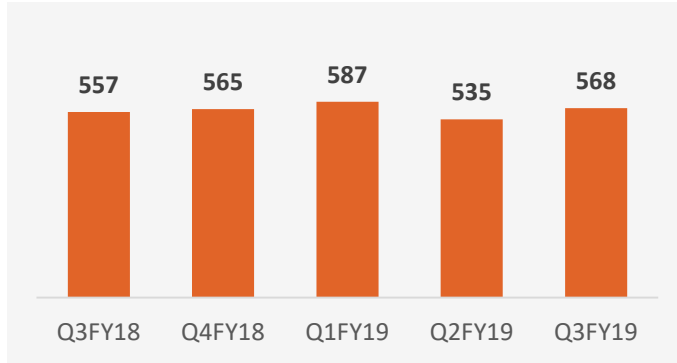
9MFY19



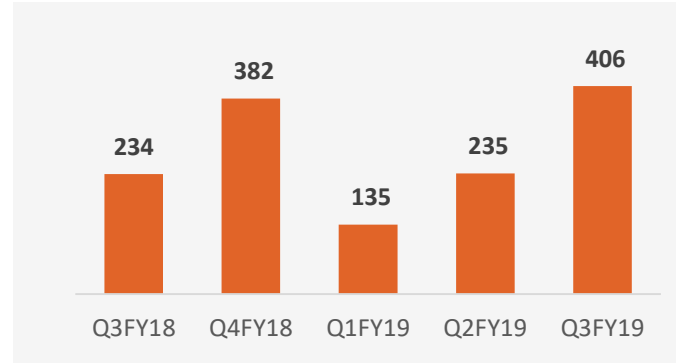
Earnings highlights - Business segment performance

All Figures in Rs Cr unless specified

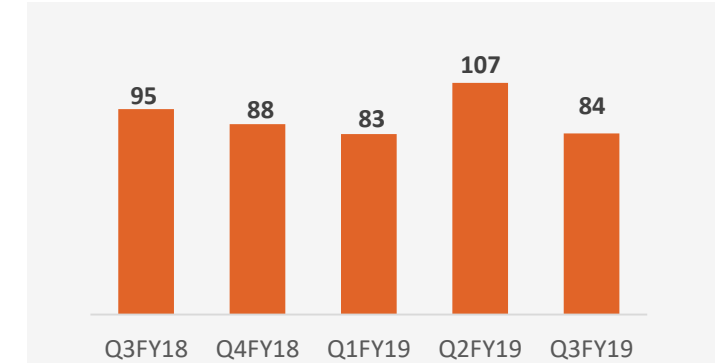
Branded Revenue



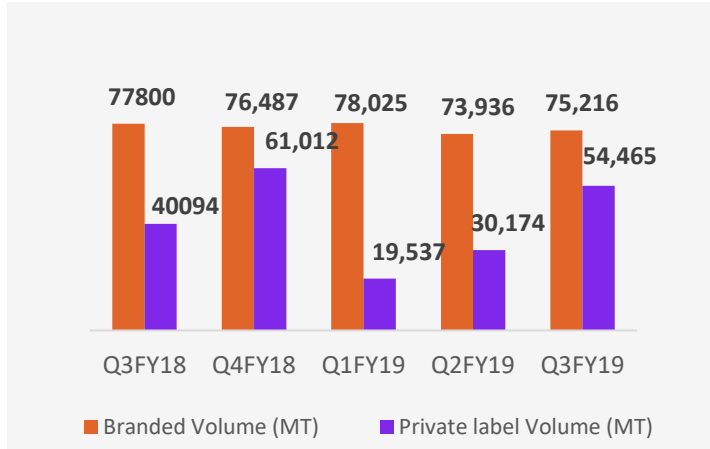
Private Label Revenue



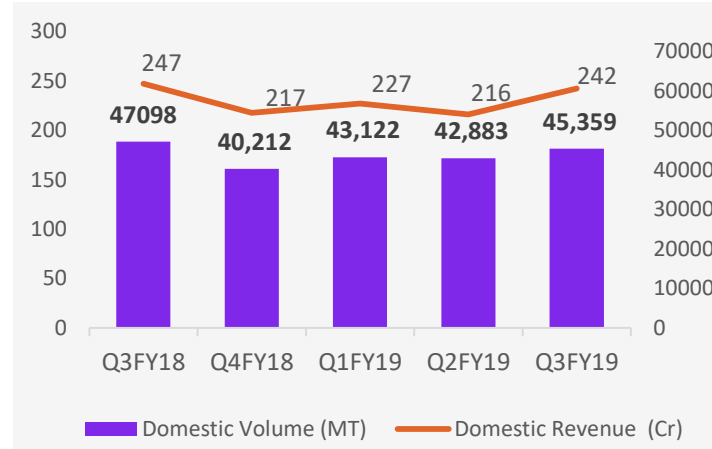
Organic Revenue



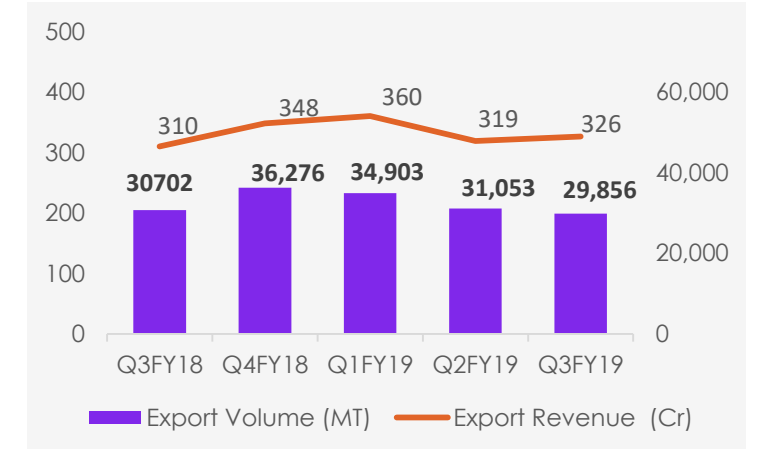
Branded & Private Label Volume



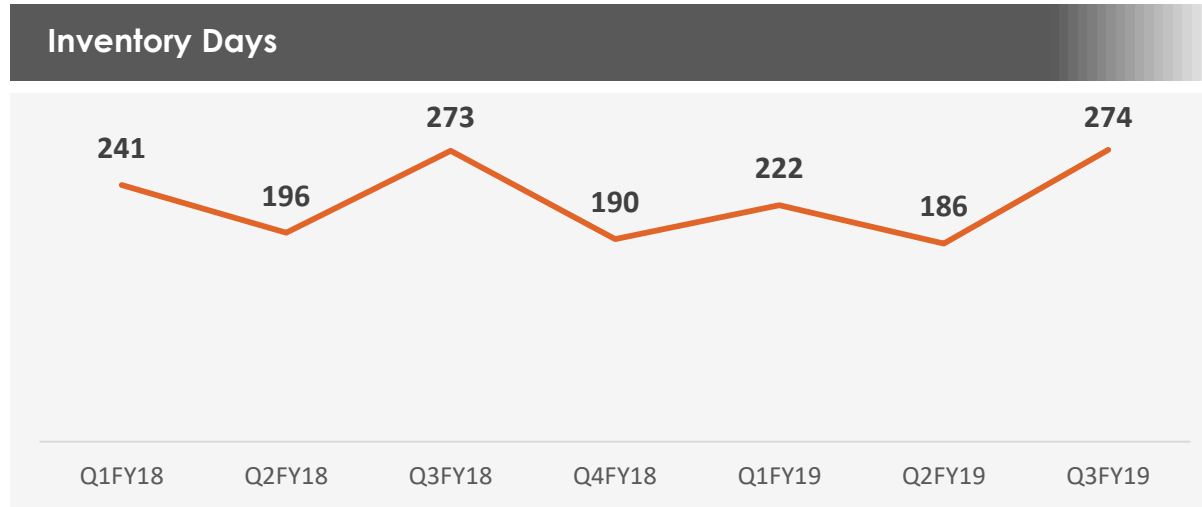
Branded Domestic Revenue & Volume



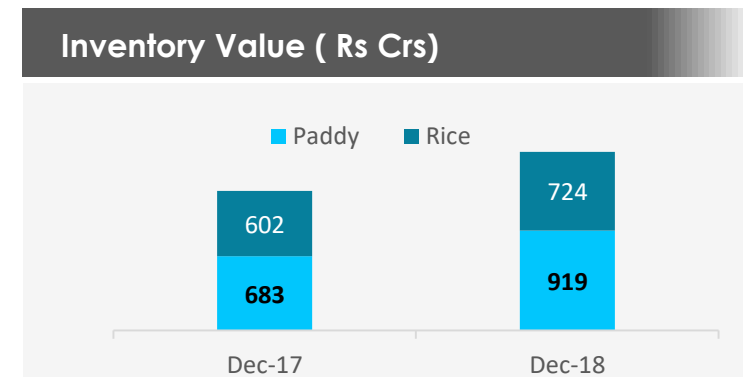
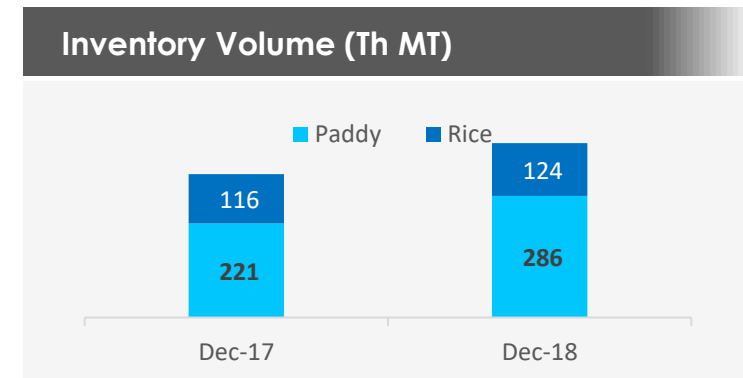
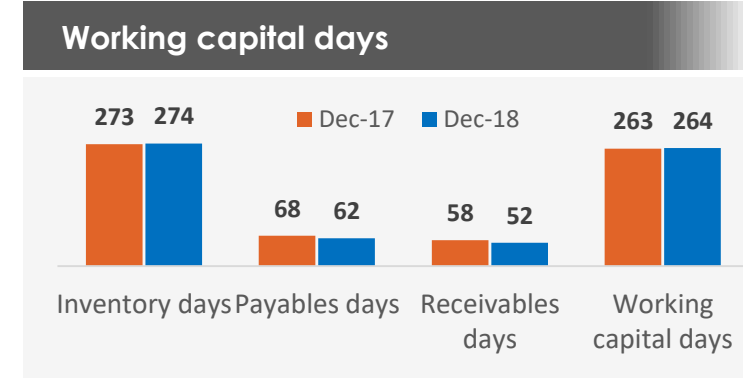
Branded Export Revenue & Volume



Earnings highlights – Inventory & Working capital

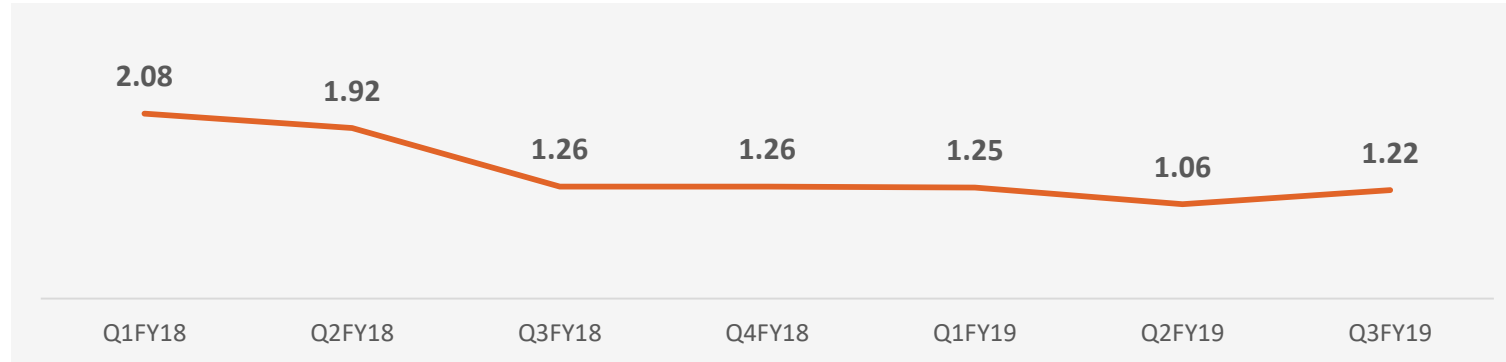


- Procurement of Paddy starts in Q3-Q4; this results in increase in inventory from Q3-Q4.
- Basmati Rice is aged for average 12-18 months to enhance & intensify taste, aroma, and cooking characteristics. This requires company to maintain large inventory of paddy & rice.



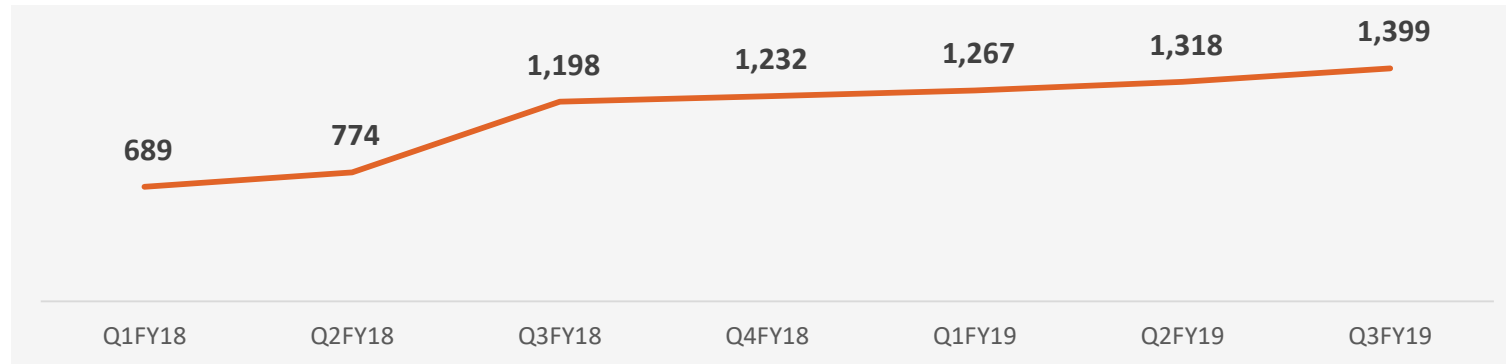
Earnings highlights – Key financial ratios

Net Debt/ Equity

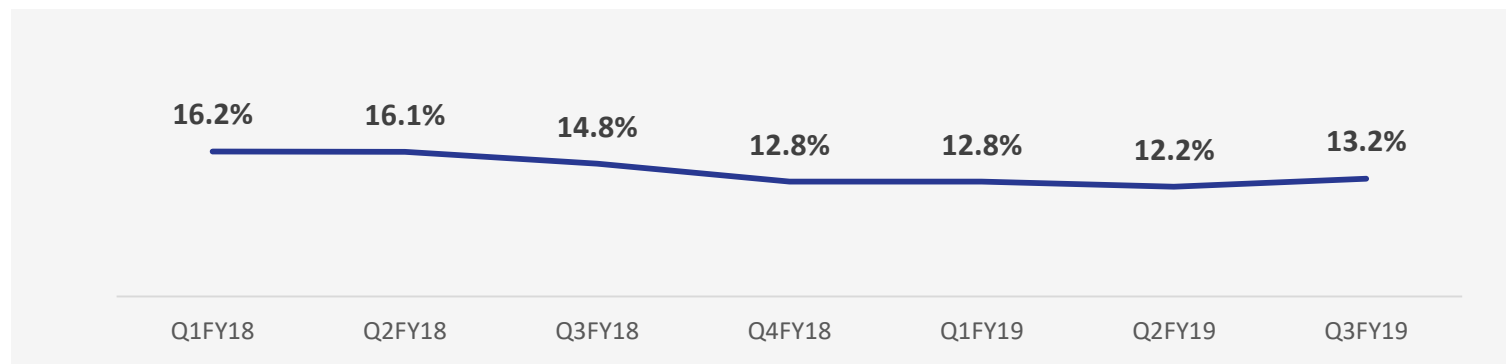


Net Worth

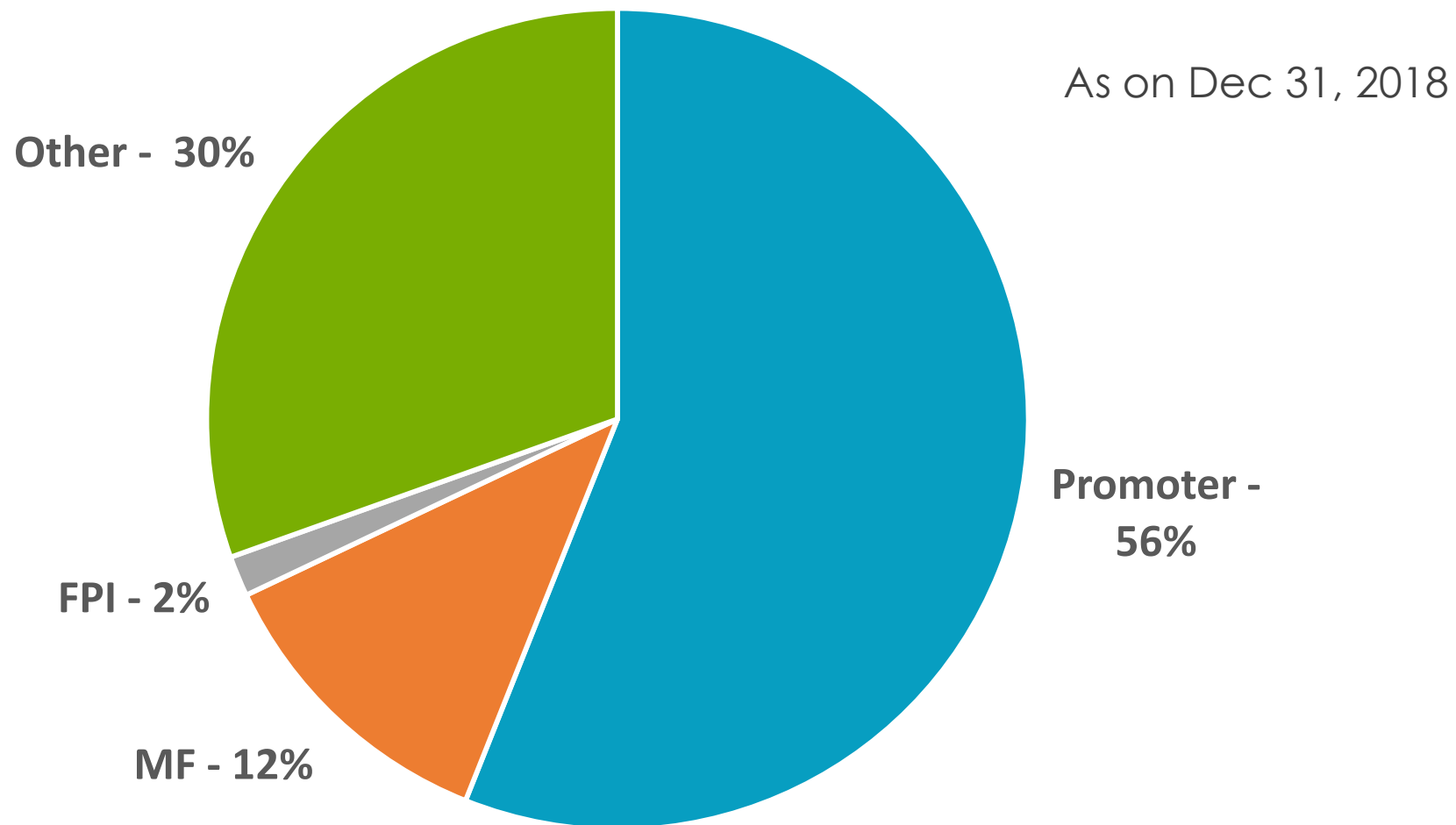
In Rs Cr



ROCE



Shareholding pattern



Promoters & Next Gen Leaders



Vijay Kumar Arora
Chairman and Managing
Director



Ashok Kumar Arora
President Punjab
Operations



Surinder Kumar Arora
Managing Director



Ashwani Kumar Arora
Managing Director & CEO



Abhinav Arora
President, LTFA



Aditya Arora
Director, LT Foods
Europe



Gursajan Arora
Director, LT Foods Middle
East DMCC



Anmol Arora
Director, NBFL



Ritesh Arora
Head – India & Far
East Business

Management Team



Vivek Chandra
CEO – Global Branded
Business



Monika Chawla Jaggia
VP – Finance &
Strategy



Kamal Poplai
Head, Quality



Dipol Dhole
Vice President, HR &
Admin



Sachin Gupta
General Manager,
Finance



Anubha Bajaj
Vice President, Sales



J.S. Oberoi
CEO, NBFL



Rohan Grover
Director, NBFL B.V.



Sanjeev Uppal
Group Head, SCM &
Operations



Manoj Chugh
Head, Procurement

Investor Contact

Ms Monika Jaggia

Email - Monika.Jaggia@ltgroup.in

Tel - 0124-3055210



LT Foods



[DaawatBasmatiOfficial](#)

[AuthenticRoyalFoods](#)

CIN: L74899DL1990PLC041790

Website: <http://www.ltgroup.in/>

Address : Unit-134, 1st Floor,
Rectangle-1, Saket District
Centre, Saket,
New Delhi-110017



COOK WITH
THE FINEST BASMATI

