

PRESS RELEASE
KAVERI SEED COMPANY LIMITED
ANNOUNCES FINANCIAL RESULTS FOR THE QUARTER
ENDED 31st DECEMBER 2019

Results at a Glance

- Net sales improves steadily:
 - Net Sales (Rs.In Crs) Increased YOY by 43.91% in Q3 FY20 : 121.98 vs.Q3FY19 : 84.77
- Gross Profit (Rs.In Crs) Increased YOY by 66.46% in Q3 FY20 : 57.62 vs.Q3FY19 :34.61
- PAT (Rs In Crs) Increased YOY by 193.28 % in Q3 FY20 : 8.53 vs Q3 FY19 : 2.9
- PAT MARGIN (In %) : Increased YOY by 103.80% in Q3 FY20: 6.99 % vs Q3 FY19: 3.43%
- Depicted strong operational performance. Operating EBITDA margins (excluding other income) stood at 6.82% in Q3FY20 versus 0.18% in Q3FY19
- Maize acreages have now picked up considering that rainfalls have come to a halt after good rains in September & October
- Maize prices also seem to be doing well

The Board of Directors of Kaveri Seeds Company Limited Approved the financial results for the quarter ended 31st December 2019 at its meeting held in Secunderabad on Wednesday, 05th February 2019.

The Accounts have been subjected to a Limited Review by the Company's Statutory Auditors.

Volumes Data

Cotton:

- Volumes increased by about 18% in 9MFY20
- Contribution of new products went up from 14% to 22% of volume
- Money Maker Scale up across market this year. 2 new Cotton hybrids under demonstrations with farmers. Performance of Money Maker appreciated by farmers across markets.

Maize:

- Maize volume is down by 3% and increase in revenue by 12% Makeup in revenue is due to Product mix and price gain

Non cotton:

- Business grown significantly by about 16%
- Driven by volume growth in new hybrids and also price appreciation in key products

Hybrid Rice

- Volumes increased by 57 % in 9MFY20
- Contribution of new products went up from 26.58% to 50.09% of volume
- oNew hybrid Paddy KPH 468 helped translate to strong growth



Selection Rice:

- Volumes decreased by 6% in 9MFY20
- In selection rice, consistent performance across geographies. New products scale up done with growth in Coastal King, Prize & Shireen across markets

Business Highlights

- Strong operational performance. Operating EBITDA margins (excluding other income) stood at 6.82% in Q3FY20 versus 0.18% in Q3FY19
- Cotton Sales have now come to a halt in Q3 as sowing has stopped
 - This is due to the extended monsoons coming to a halt
- Maize acreages have now picked up considering that rainfalls have come to a halt after good rains in Sep & Oct
 - Maize prices also seem to be doing well
- Despite the Hybrid rice industry growth being under 8 - 10%; overall Kaveri hybrid rice is up by 60%
- Cob drying facility helped enhance quality of seed and ensure timely deliveries
- Proper planning and placement helped to increase sale
- New warehouse inaugurated for foundation seed at Gowraram plant
- We have installed latest equipment magnetic separator to grading of cotton seed to enhanced the quality of Cotton Seed
- NABL accreditation process initiated for our quality control lab expected to complete the process within the 02 to 03 Months

Safe Harbor

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. Kaveri Seed Company Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

