

**Patanjali Foods Ltd (erstwhile Ruchi Soya Industries Limited) achieves Total Income of Rs 7,963.75 cr and PAT of Rs 269.18 cr in Q3FY23**

**Results of 3<sup>rd</sup> Quarter and 9 Months Ended 31<sup>st</sup> December 2022**

- 9MFY23 Total Income of Rs 23,858.50 cr up by 35.50% over 9MFY22.
- In Q3FY23, Company achieves Total Income of Rs. 7,963.75 cr.
- 9MFY23 EBIDTA stood at Rs 1,161.10 cr. vs. Rs. 1,147.43cr. in 9MFY22
- In Q3FY23, EBITDA of the Company grew by 97.49% Q-o-Q and stood at Rs. 405.15 cr.
- Strong PAT growth of Rs. 622.73 cr in 9MFY23 vs. Rs. 571.88 cr in 9MFY22 up by 8.89%
- In Q3FY23, company witnessed a PAT growth of 139.73% Q-o-Q and stood at Rs. 269.18 cr.

**Patanjali Foods Limited – PFL** (formerly known as Ruchi Soya Industries Limited), a diversified Fast Moving Consumer Goods (FMCG) & Fast Moving Health Goods (FMHG) focused company with 25 strategically located manufacturing facilities, well recognized brands with pan India presence and allocation of 6.23 lakh hectares of oil palm plantation, has announced its financial results of operation for the quarter and nine month ended 31<sup>st</sup> December 2022.

After sharp volatilities and downtrend witnessed in the previous quarters, there has been some stability and revival observed in the quarter ended December 31, 2022. The macro challenges faced earlier in terms of geo-political standoff, soaring inflation, supply constraints, high interest rates and demand concerns have waned a bit. International food, energy and other commodity prices have eased moderately in recent times. India, per se, has revived fast supported by good progress of rabi sowing, sustained urban demand, improving rural demand, a pick-up in manufacturing, rebound in services and robust credit expansion.

The prices of edible oils, the biggest portion of the company's revenue, stabilized and recovered from the sharp decline witnessed in Q2. Urban demand for FMCG products has been steady while rural demand continues to contract. Festive and marriage season revived the demand for the food products during this quarter.

The summary of key financials and operating highlights of Nine Month results as well as December Quarter 2023 are as below:

### **Performance during the Quarter and 9 months ended 31<sup>st</sup> December 2022:**

Patanjali Foods Limited achieved Total Income of Rs 7,963.75 cr during the quarter ended December 31, 2022 as compared to Rs 6,301.19 cr in Q3FY22, registering a growth of 26.38% YoY. On the profitability front, in Q3FY23, the Company delivered an EBITDA of Rs 405.15 cr registering an increase of 97.49% Q-o-Q. EBITDA margin for the current quarter stood at 5.11% up by 270 bps as compared to 2.41% in Q2FY23. The profit before tax stood at Rs. 343.46 cr. The PAT for the quarter registered a strong growth of 139.73% Q-o-Q and 15% Y-o-Y and stood at Rs. 269.18 cr.

During the nine month period ended 31<sup>st</sup> December 2022, the Company achieved Total Income of Rs 23,858.50 cr with EBITDA of Rs 1,161.10 cr and profit before tax of Rs 829.57 cr and Profit after tax of Rs 622.73 cr.

The Food Products and Others business segment in Q3FY23 achieved sales of Rs. 1,570.08 cr contributing 19.81% of Revenue from Operations of the Company. The edible oils segment registered sales of Rs 6,066.51 cr contributing 76.53% of Revenue from Operations of the company. The branded sales of the Company including the institutional segment achieved sales of Rs 6,447.81 crores, which contributes 81.91% of the Total Sale of Products of the Company for the period.

**Foods Segment Continues to be of focus:** The Foods Segment (including the foods business acquired from PAL) achieved sales of Rs 1,570.08 crores in Q3FY23. In the nine month period of FY23, the Foods segment achieved sales of Rs. 4,542.22 cr and EBIT of Rs 858.39 cr. The Company continues to invest in growing its multichannel distribution network along with the adoption of digitization to track secondary sales and enhance efficiency of the sales team. The Company has rolled out mobile application for its sales force as well as for its distributors, further empowering retailer engagement capabilities. The investment made to adopt and enhance the digital capabilities is aligned with the Company's strategy to scale up the foods business segment sales along with other business segments.

**Edible Oil Segment:** The Oils and Vanaspati segment witnessed a strong volume growth and has achieved sales of Rs. 6,066.51 cr in Q3FY23 despite the softening of commodity prices. In 9MFY23 the segment achieved sales of Rs. 18,394.08 cr vs 14,487.72 cr in 9MFY22. The company continues to leverage its strong distribution channel and product offerings across multiple price points to achieve volume growth. The company also continues to implement risk management practices and explore opportunities to protect its bottom-line along with relying on forecasting tools to drive efficiency and cost optimization. In Q3FY23, the EBIT in Oils and Vanaspati segment stood at Rs. 176.79 cr.

**Expansion of Capacity of Oil Palm Mills:** Patanjali Foods is one of the largest oil palm plantation companies in India. The Company continues its thrust on expanding its oil palm business and is undertaking capacity expansion of oil palm processing capacities to 160 TPH. The Company has access to palm plantation across 11 states, namely Andhra Pradesh, Telangana, Karnataka, Gujarat, Odisha, Tamil Nadu, Chhattisgarh, Arunachal Pradesh, Assam, Mizoram and Tripura, and has also undertaken to set up oil palm mill in Arunachal Pradesh.

Patanjali Foods Limited works with more than 44,000 farm families and has more than 62,000 ha area under palm plantation in India as on Q3FY23.

**Contribution to sustainable development:** The company continues to focus on its sustainability goals. Patanjali Foods Limited sources 19% of its energy requirements from renewable sources, support farmers income and aid import substitution. The soya foods business sources non genetically modified (Non GMO) products for exports for more than 30 countries across the globe.

**Outlook going forward:** The Company maintain its aspirations of delivering sustainable and profitable growth with significant contribution from the foods vertical. The Company firmly believes that its foods segment with large product portfolio comprising of robust brands across categories such as Ghee, Chyawanprash, Honey, Juices, Soya Chunks etc shall continue to grow at a higher pace keeping in mind the growing distribution network and wider availability across retail shelf. While the near term shows positive growth aspects, we remain cautiously optimistic on the medium term given the recent softening of input prices and inflationary trends. Our focus continues to be on delivering broad based profitable growth.

**Patanjali Foods Limited** is focused on investing in brand building and offering food products across multiple categories and price points to cater the wide spectrum of consumer preferences with emphasis on increasing presence on emerging digital channels.