



Investor Release

Q2 & H1 FY22 Financial Performance

Punjab, 13th November 2021 – Mrs. Bectors Food Specialities, one of the leading Companies in the premium and mid-premium biscuits segment in North India under the brand ‘Cremica’ and a leading premium bakery player in India under the brand ‘English Oven’ announced its Unaudited Financial Results for the Quarter and half year ended 30th September 2021

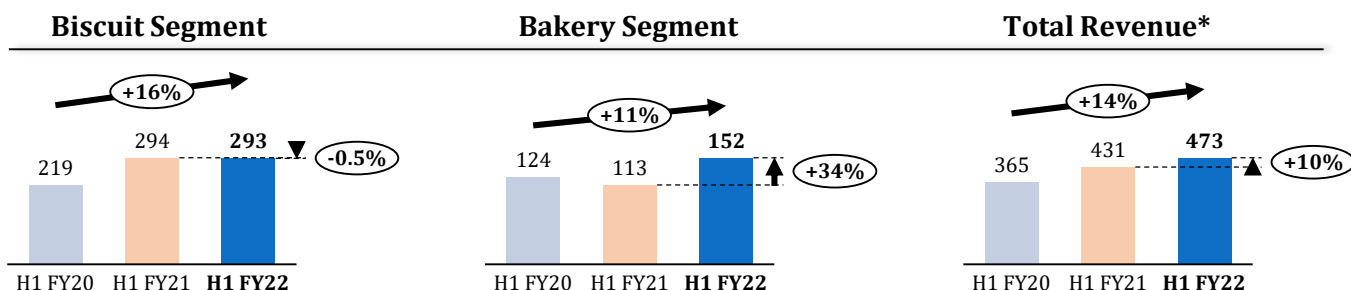
Key Financial Highlights*

Particulars (Rs. Crs.)	Q2 FY22	Q2 FY21	Y-o-Y	H1 FY22	H1 FY21	Y-o-Y
Revenues	246	228	8%	473	431	10%
Gross Profit	110	109	1%	210	206	2%
Gross Profit (%)	44.7%	47.7%		44.4%	47.8%	
EBITDA	35	38	-8%	64	72	-12%
EBITDA Margins (%)	14.1%	16.5%		13.5%	16.7%	
Profit After Tax^	18	23^	-21%	31	39^	-19%
PAT Margins (%)	7.3%	10.1%		6.7%	9.0%	

* On Consolidated Basis

^ Last year, the Company had a one-time entry tax provision reversal of Rs. 5.5 crores which has led to lower profits compared to last year

Segmental Revenue Breakup (Rs. Crs.)



* Total Revenue includes revenue from other (contract manufacturing)

Key Highlights:

- In the first half of last year, that is FY 2021, we had seen accelerated increase in sale of the biscuits to the retail customers. This was mainly due to Pantry Loading and limited availability of other food products during CoVID lockdown last year. The Company has grown in high single digits over the past 2 years in the retail biscuit segment. Our exports of biscuits has grown continuously. We have seen robust double-digit growth in exports over the past couple of years.
- Retail Bakery has grown in double digits with continuous focus on increasing distribution and premiumization of our products.
- Our Institutional bakery sales has nearly doubled from last year due to a low base. With restaurants opening up for deliveries and dine ins, we have great momentum in this segment, and we expect this segment to grow faster.



Commenting on the Results, Mr. Anoop Bector, Managing Director said,

“Post the CoVID related lockdown, the Company has done well in all segments during the last quarter. Overcoming challenges, the Company recorded 8% growth in revenues, with accelerated growth in the bakery segment – retail as well as institutional. We have witnessed a good festive season and demand for all our products is back to normal levels.

We have seen improvement in the Retail Biscuit business since the first quarter. We have seen growth through the Modern Trade channels. We continue to focus on sustainable growth in our export markets. For this, we have already set up a subsidiary in UAE to cater to the MENA and African markets. Our focus is to keep introducing a wide range of premium products with focus on generating higher margins.

During this quarter, the Company has purchased land in Khopoli, Mumbai adjacent to our factory for expansion of our Bakery business. This expansion will help us with the ever-increasing requirement of our breads in the Mumbai and Pune region.

The Company has invested Rs. 62 crores on additional line of Bread and Bun separately at Greater Noida factory . These lines have become operational since October 2021, and we expect benefits from the same from December 2021 onwards. The Company has also started investment on another Biscuit line from the IPO Proceeds at Rajpura and is expected to start commercial production from April 2022.

Gross Profit Margins have taken a hit due to increased prices of palm oil and packaging materials. In the first half of the year, we have taken a price increase and have been able to recover substantial part of cost increase . The Company is taking further price correction to offset the balance increased cost . We expect to complete this exercise by end of December 2021. With our focus on premium products ,cost optimization and price correction , we expect to maintain our EBITDA Margin guidance of 14%-15% for FY22.

The Company is also working on reducing costs and enhance focus on premium products to bring in efficiencies in the system. The Company has invested ~ Rs. 6 crores on renewable solar energy in its plant at Rajpura, Phillaur, Tahliwal and Khopoli and the same has been operationalized during September 21.

We have seen a change in consumer preferences as CoVID–19 has accelerated the trend of shift towards trusted and branded packaged foods. The Company is strongly positioned to capitalize on the trend of shift in consumer tastes and preferences, having a focus on brand development. Going ahead, we believe that with the complement of improving exports, better product mix with high quality products and increased distribution network should further enhance our revenues across segments.”



About Mrs. Bectors Food Specialities Limited

Mrs. Bectors Food Specialities Limited is one of the leading companies in the premium and mid-premium biscuits segment in North India and a leading premium bakery player in India. The Company is the sole / preferred supplier to some of the Largest QSR Franchises, Cloud Kitchens and Multiplexes in India.

The Company has a diversified product portfolio of 480+ SKUs and constant focus on new launches. The Company has a strong multi-channel distribution network PAN India. The Company is expanding through modern trade and e-commerce. The Company is a leading biscuits exporter to 64 countries across 6 continents.

Safe Harbor Statement

Any forward-looking statements about expected future events, financial and operating results of the Company are based on certain assumptions which the Company does not guarantee the fulfilment of. These statements are subject to risks and uncertainties. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry, global or domestic or both, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, technological changes, investment and business income, cash flow projections, interest, and other costs. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Contact Details

Company: Mrs. Bectors Food Specialities	Investor Relations: Orient Capital
	
Name: Mr. Parveen Goel	Name: Ms. Payal Dave
Email: parveen.goel@cremica.in	Email: payal.dave@linkintime.co.in
CIN: L74899PB1995PLC033417	Tel: +91 98199 16314
www.cremica.in	www.orientcap.com