

Media Release

FY19 Revenue at Rs. 338.02 crore, Y-o-Y growth of 80%, driven by product segments of rice, pulses, aloe-vera, moringa etc.

Debt Free Company

Mumbai, 4th June 2019: White Organic Agro Limited (BSE: 513713), is the only listed Company catering to entire organic agro product range with over 250 premium organic products in 12 major categories and 17 sub categories, has announced its audited financial results for the fourth quarter and full year ended March 31st, 2019.

The focus continues to remain on increasing the presence of brand “White Organics” across India and globally, also the self-leased land organic farming activity. The company witnessed superior acceptability and high demand for products and brand “White Organics” enabling us to report excellent growth in the fourth quarter and full year ended 31st March 2019.

Financial Highlights:

Q4 FY19 vs. Q4 FY18 Consolidated Performance Highlights:

- **Revenue** was at **Rs. 90.45 crore** in Q4 FY19 as against Rs. 87.61 crore in the Q4 FY18 with a **growth of 3%**
- **EBITDA** was at **Rs. (9.88) crore** in Q4 FY19 as against Rs. 5.85 crore in Q4 FY18, as the Company sold off inventory, which it had built in FY17, at a significant discount before the product expired
- **Profit After Minority Interest** was at **Rs. (10.47) crore** in Q4 FY19 as against Rs. 2.92 crore in Q4 FY18
- **EPS** for Q4 FY 19 at **Rs. (2.99)**

FY19 Vs. FY18 Consolidated Performance Highlights:

- **Revenue** was at **Rs. 338.02 crore** in FY19 as against Rs. 187.92 crore in FY18 with a **fantastic growth of 80%**, this growth was mainly driven by rise in exports and boost in Rice, Aloe Vera, Moringa and other segments
- **EBITDA** was at **Rs. 6.94 crore** in FY19 as against Rs. 13.40 crore in FY18, **decline of 51.86%**, as the Company sold off inventory, which it had built in FY17, at a significant discount before the product expired, avoiding write-off.
- **Profit After Minority Interest** was at **Rs. 4.97 crore.**
- **EPS** for FY19 at **Rs. 1.42**

Management Comment:

Commenting on the financial results, **Mr. Darshak Rupani, Managing Director, White Organic Agro Ltd.** said:

"In the financial year end 2018-19, our Company registered a good revenue growth of over 80% as compared to same period last year. This was mainly on back of high demand & growing acceptability for organic food particularly in rice, Aloe Vera and Moringa segments. However on account of a onetime expense which we incurred due to selling off a large amount of inventory at a price that was much lower than cost of purchase. We had built this inventory in a particular segment, expecting a good growth opportunity, which unfortunately did not come through and so we sold it as a loss before the product expired, avoiding a write-off.

During the year we have significantly added new business horizon like basmati rice, organic vegetables and variety of other products in our products offerings. Our tie ups with Innovative Cuisine Pvt Ltd. and many other domestic buyers have strengthened as we have increased our supply of products from just single product to multiple products. Our focus remains on increasing our reach and making available products which are preferred by the customers.

We are confident that the efficient execution of our strategy will translate into sustainable and responsible growth. As more and more awareness is created, India will see a strong shift towards organic food with growth driven by acceleration in health consciousness, customer spending and huge opportunity lying within the unexploited organic sector. The Company constantly endeavours to increase leased land under cultivation and strengthen relationships with esteemed clients.

I thank the entire team of 'White Organic Agro' for their untiring efforts, hard work, sincerity and high dedication. Also, I would like to thank our valued Shareholders, whose support and faith in our Company along with their critical inputs has given us the determination and ambition to grow from strength to strength."

Wide Product Portfolio:

Unadulterated top-quality residue-free products are of utmost importance to us. Strong focus on consistent and high-quality products has been the trademark and biggest strength that has helped us to create more and more confidence in our clients, leading to a continuous flow of repeat orders as well as add new customers.



Key Developments in FY 2018 2019:

In May 2018, signed Lease Farming pacts of additional 160 Acres of Land for self-leased activity of cultivation, harvesting and farming of organic products. The Company is already farming organic products like AloeVera, Moringa and few of small pilot projects for selection of third crop for Company's three phase expansion plan. The additional piece of 160 Acres of land is in Kanpar and Sylva, District Surendranagar, Gujarat.

In July 2018, Company received path breaking prestigious purchase order of 65 MT of cluster beans for exports from Innovative Cuisine Private Limited.

In September 2018, successfully started first harvest of residue free organically cultivated cluster beans and commenced supply to USA and Canada.

In October 2018, post completion of initial order of organically cultivated residue free cluster beans for Innovative Cuisine, the buyer showed interest in expanding the capacity of cluster beans on 100 acres or more in next suitable season, with mutual consent for the total buyout the whole produce. Further, Innovative Cuisine had given a pilot order for cultivation and supply of residue free organic long beans at a pre-decided price.

Also, Company started cultivation of vegetables (G4 Chilly, for brown chickpea, for green vegetable pigeon pea) and increased acreage for cultivation of Cluster Beans for winter season.

In November 2018, Company's management expanded its horizon into indirect farming business in the northern states of India by entering in vast scale business of basmati rice. The Company has already established a setup in New Delhi, from which it will carry the basmati rice business.

In December 2018, The Company has delivered fantastic growth over the past years and looks forward to a huge demand for organic products, considering this the Board of Directors approved to issue Bonus equity shares to the valued shareholders of the Company in the ratio 1:1 each fully paid share up to Rs. 10/- per share

In February 2019, Company started a new unit on 1,100 sq yard industrial plot with 4,200 sq ft structure in Future Farms LLP. The unit will be used for multiple purposes: - secretion of aloe vera pulp, drying moringa leaves and others. The new bigger facility will help the Company to achieve better hygiene and quality standards as mandated by existing and many prospective international clients.

In March 2019, the Company received another order from Innovative Cuisine to start cultivation of Okra Vegetables for the summer season for which the Company began plantation post holi. The total revenue expected from the overall cultivation of vegetables would be approx. Rs. 15 Million per cycle. The scalability of business of vegetables in the international market from Company's farms is Rs. 75 to Rs. 100 Million.

Along with this Company also received export order to supply Indian White Steam Rice to Rebat Al Hauda Trading Est, Dammam, Saudi Arabia. The export order is to supply 1,280 MT of India White Steam Rice. The total revenue expected from this contract will be in the tune of Rs. 65 million per cycle.

Adding one more milestone, the Board of Directors approved the Company's entry into seed research, seed development and seed marketing, which will drive the future growth prospects of the Company in this segment. The scope of this business is enormous, and the Board of Directors have authorized the management to initially invest Rs. 50 million into this segment and finalize the future course of the research and development of seeds business.

In May 2019, the Company listed its wholly owned subsidiary, White Organic Retail Limited on the BSE SME platform, addition to the value of shareholders of the parent company. The public issue of 24,54,000 equity shares was a success with nearly 1.3 times over subscription. The total issue size was approximately Rs 15.46 crore.

Company website: - www.whiteorganicagro.com

Retail and e-commerce: - www.whiteorganics.co.in / www.whiteorganics.in

Note: *Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other risk factors, viewers are cautioned not to place undue reliance on these forward-looking statements. The Company 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.*