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## Amira Nature Foods Ltd.

### Attractive Valuation with Basmati Rice Representing A Large and Growing Market

#### Investment Highlights:

- Amira Nature Foods (ANFI) operates within the large and growing basmati rice and specialty food market, which is expected to reach \$17.74 billion by 2022<sup>1</sup>. Amira Nature Foods is uniquely positioned with its global sourcing and distribution abilities and owned brands. The company targets various market segments with unique product offerings and price points, allowing it to diversify its revenue. The company operates globally on five continents, with a geographically diverse customer base.
- Rice is an enormous global staple food, which enjoys favorable market dynamics, with Basmati rice having a large pricing premium over other varieties of rice with Basmati rice prices additionally recently recovering from their 2015/2016 depressed price levels. The fragmented supply chain of Basmati rice has also made it difficult for Western companies to effectively distribute it, creating a unique opportunity for Amira. The company has a large opportunity to expand its top line, with the market for Indian Basmati rice representing \$6.9 billion<sup>2</sup> of which 70% is sold internationally.
- The international opportunity is enormous, with the company looking to create a \$200 to \$300 million-dollar international business over the next three years (Amira averaged \$320.2 million in international sales during the FY14 through FY18 period). The company plans to achieve this through an improved capital structure, third-party branded offerings, a more internationally oriented management team and opportunistic acquisitions. The company's recent debt conversion reduced its ownership in Amira India from 80.4% to 49.8%, allowing its international business to raise EUR 25mn, *which should unlock large shareholder value over time, as the market is now able to value this business on a stand-alone basis.*
- Amira has a very focused and experienced management team, which has taken the company from a small business to a NYSE listed global company. The Chairman and CEO, Karan Chanana has a large ownership stake (approximately 53%) and has continued to purchase shares following the IPO, which we view as indicative of management's confidence in the business's prospects.
- Amira trades at a very conservative enterprise value to revenue multiple of approximately 0.4x enterprise value to revenue (post debt conversion). *Our comparable company analysis model indicates a fair value for the shares of \$4.00, approximately 150% above the current price.*

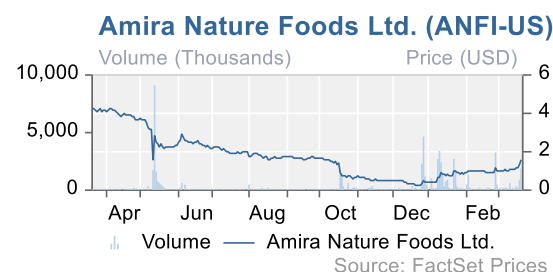
#### Company Description

Amira Nature Foods is a major international producer of Packaged Food, Indian Specialty Basmati Rice with over 200 SKUs, with sales across five continents around the world. Amira generates the majority of its revenue through the sale of Basmati rice, a long-grain rice grown only in certain regions of the Indian sub-continent, selling its products, primarily in emerging markets, through an extensive distribution network.

#### Food Industry

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#### Price-Volume History



#### Key Statistics

Share Price (As Of 03/25/2019)	\$1.52
Valuation	\$4.00
52 Week Range	\$0.30-\$4.39
Average Daily Volume(th)	793.38
Shares Outstanding (th)	46.384
Market Capitalization (M)	\$68.12
Number of Analysts Covering	2
Enterprise Value/Revenue	0.4x

#### Revenue (\$ in millions)

Mar. FY	2017A	2018A	2019E
FY	551.80A	413.90A	198.67E

#### EPS (\$)

Mar. FY	2017A	2018A	2019E
FY	.84A	(2.30)A	.44E

1- Tmr. "TMR." Global Basmati Rice Market: Large Players Vie to Expand into Regional Markets, Notes TMR, 21 Feb. 2018, [www.transparencymarketresearch.com/pressrelease/basmati-rice-market.htm](http://www.transparencymarketresearch.com/pressrelease/basmati-rice-market.htm).

2- Amira Nature Foods March 2019 Investor Presentation.

## Investment Thesis

Amira Nature Foods offers investors a high-risk high reward opportunity to invest in a robust top-line business within a large and growing market. Amira Nature Foods is a manufacturer, marketer and distributor of specialty rice (primarily Basmati rice) and other specialized food products with a global reach across five continents. *The company's focus on Basmati rice is a strong competitive advantage given Basmati rice is a premium rice variety, with a longer shelf life and which is priced higher and overall more profitable than other varieties of rice.* The addressable market for Basmati rice is enormous and is estimated at approximately \$6.9 billion, with a majority sold internationally. Demand had been strong over the past decade growing roughly 10% per year, with strong growth expected to continue. Amira Nature Foods appears well positioned with a differentiated business model where due to its global reach it can offer localized solutions to its customers, while efficiently using their marketing and capital budgets. The company has been selling their products for over forty years and has access to (via its minority ownership in the Amira India subsidiary), a flexible, vertically integrated supply chain, which allows the company to manage supply and quality very stringently. The company is focused on expanding its presence in international markets, within both emerging and developed markets, where there is a lot of fragmentation. The international focus was evidenced in Amira Foods India ("Amira India"), recently converting Amira India debt into ordinary shares of Amira India, which separates the subsidiary from the public company. This separation allowed the International subsidiary to raise €25M and we view this as a major development for the company, as the large amount of debt was a source of concern for investors and will turn investors focus to valuing the stand-alone International opportunity. We believe there are numerous opportunities for the company to achieve profitable growth over the coming years through an increasing international focus, constructing local and Westernized management teams, improving the capital structure, an increased focus on third-party branded products, and through pursuing relevant accretive acquisitions. The company trades at a steep valuation discount to other small capitalization food companies which trade for an average enterprise value to sales of 1.13x. **Overall with Amira's large market opportunity, strong competitive advantages, limited sell-side following and relatively inexpensive valuation, we believe shares offer an asymmetric risk-reward profile for shareholders at these depressed levels.**

Amira Nature Foods offers investors the opportunity to invest in a leader specialty rice manufacturer at an unassuming valuation of 0.4x enterprise value to revenue\*

Recent debt conversion was in line with the company's goal of strengthening international operations. With the India operation no longer consolidated, investors will look to value the International business on a stand-alone basis, with even conservative revenue and margin expectations for this business still representing upside from current levels



Source: Amira Nature Foods 2019 Investor Presentation

\*Effective Post March 2019 Debt to Equity Swap

## Company Overview

Amira Nature Foods Ltd. is a global packaged-food provider engaged in processing, sourcing, and selling specialty rice, primarily Basmati rice, and other related food in over 40 countries. Amira sells variety of Basmati rice and other specialty rice under its flagship Amira brand, as well as under other Company-owned brands and third-party brands. The Company has also expanded their product offerings to include more value-add categories such as edible oils and organics, and sells bulk commodities including wheat, barley, legume, maize, sugar, soybean meal, onion, potato, and millet to large international and regional trading firms. Amira Nature Foods Ltd. was founded in 1915 and is based in Dubai, the United Arab Emirates.



Source: Amira Nature Foods Website

Amira operates in the global packaged rice market and primarily provides Basmati rice, the premium aromatic long-grain rice grown only in a specific region of the Indian sub-continent. The Company has access to a flexible, vertically integrated production model across the entire rice supply chain, starting with paddy procurement to storage, aging, processing, packaging, branding, and distribution. Access to this vertically integrated model provides Amira with significant advantages in maintaining constant supply and quality control throughout the procurement process.

Amira Nature Foods has access to a flexible vertically integrated production model with strong controls to ensure supply, quality, and safety

Amira is also well-positioned through having developed a broad distribution network able to reach a diverse base of customers across five continents. Amira branded products are currently sold by global retailers and regional supermarkets such as Costco, Walmart, Tesco, Waitrose, Whole Foods, etc. Additionally, Amira tailors its product offering to customers' needs and goes to market under additional Company-owned brands and sub-brands such as Atry, Dum, Guru, Sadry, Sativa, Amira Good Length, and Amira Daily Fresh, which allows the Company to sell through multiple channels and various price points across the value chain to maximize their customer satisfaction and reach.

Amira has a broad global distribution network on five continents with Amira branded products sold by top tier global retailers and regional supermarkets



Source: Amira Nature Foods 2019 Investor Presentation



Source: Amira Nature Foods Website

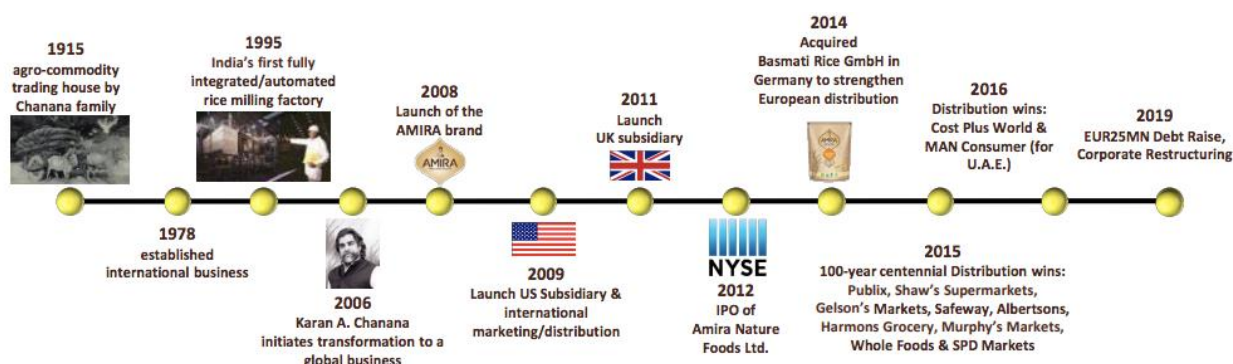
Amira has achieved a strong international presence, with it even being one of the few companies in its industry allowed to sell its products in China. The International growth opportunity is enormous for Amira in our view and is one of Management's top priorities

Rooted in tradition and with an over 100-year history, Amira has developed an extensive customer base with strong relationships and a large international presence, which allows the Company to consistently deliver large quantities of high-quality products globally in a timely manner. The Company has continued its global expansion with numerous retail and foodservice distribution wins in the U.S. and the Middle East and has become one of only a handful of companies to get approval to sell its products in China. Amira now maintains international offices in the United Arab Emirates (UAE), the U.K., the U.S., and Germany, and in FY2018 sold its products throughout India (~34% of FY18 sales), Europe, the Middle East and Africa (~53% of sales), North America (~5%), and Asia Pacific (~1%). The company views the international opportunity and the Westernization of its senior team members as one of its top priorities currently.



## Corporate Timeline

- 2019 International subsidiary raised EUR 25 million debt
- 2019 Amira Nature Foods Ltd Announces Conversion of Debt to Equity
- 2018 Large \$30 million-dollar order announced to a repeat customer in the Europe, Middle East, and Africa (“EMEA”) region
- 2016 Amira and UPT Enter Strategic Alliance to Build a Productive Rice Value Chain
- 2014 Amira acquired Basmati Rice GmbH in Germany to strengthen European distribution
- 2012 Amira completed its initial public offering, under ticker symbol “ANFI”
- 2008 Amira established fully-automated consumer packaging technology within Gurgaon plant
- 2008 Amira launched Amira branded basmati rice and started exporting to the Middle east and Russia
- 2006 Karan Chanana takes first steps to transform company to a global operation
- 1995 Amira established India’s first fully-integrated rice milling factory
- 1978 Amira established foundation for international business through private label retail sales and began to import food grain from China and Southeast Asia
- 1915 Amira was founded as a commodity trading house



Source: Company Presentation

## Potential Catalysts

- Increased international expansion and market share gains with more retail and foodservice distribution
- New product introductions, including within third-party branded products
- New strategic partnerships to strengthen global distribution
- Acquiring and integrating other businesses on accretive terms
- Increased corporate visibility via management outreach, including conference attendance and non-deal roadshows. Greater sell-side coverage would also likely help attract liquidity

## Large Market Opportunity

Amira operates in the global packaged rice market and is a leading provider of Basmati rice, a long-grain aromatic rice with favorable health attributes that can be grown only in specific regions of the Indian sub-continent and part of the Punjab region located in Pakistan. The global rice market is an enormous market with stable growth, while specialty rice and specifically Basmati rice benefits from premium pricing and increasing consumption patterns. Demand for Basmati rice has remained strong over the past 10 years due to the increased consumption trends both in India and internationally. Leading players such as McCormick & Co., Hain Celestial, Rice 'n Spice, LT Foods, East End Foods, and Amira Nature Foods serve local as well as global consumers, which is reflected in the growth of Basmati rice market. The size of worldwide Basmati rice market was approximately \$10.51 Billion in 2017 and is estimated to be worth \$17.74 Billion by the end of 2022, with a robust CAGR of 11% between 2017 and 2022, according to Transparency Market Research (TMR).

The size of worldwide Basmati rice market is projected to be worth \$17.74 Billion by the end of 2022, with a robust CAGR of 11% between 2017 and 2022



Source: Transparency Market Research

Rice is the primary staple of more than half of the world's population (providing over 20% of the global caloric intake) with more than 700 million metric ton produced annually at a global level. Global rice consumption, according to the United States Department of Agriculture (USDA), is projected to hit a record 488.4 million tons in 2019, up 0.6 million tons from the previous forecast and up more than 1 percent from a year earlier. Most of this rice is grown and consumed in the Asian region (representing 30% of caloric consumption in Asia), and India is the largest exporter in the world, which exported over 9.9 million metric ton of rice in 2016, accounting for almost 24% of the total global rice exports. India is also the leading exporter of Basmati rice, exporting over 3.0 million metric ton of Basmati rice to the global market from 2015 - 2016.

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## Competition

The global Basmati rice industry is highly competitive and fragmented with companies both large and small actively competing. In 2015 for instance, the top ten brands only accounted for 11% of the world's market share, according to Euromonitor. Amira competes with various competitors in the fragmented landscape including large Indian distributors and national rice brands. Some of the leading players in the market include McCormick & Co., Hain Celestial, Rice 'n Spice, REI Agro, LT Foods, East End Foods, KRBL, and Amira Nature Foods, serving local as well as global consumers. Penetration into regional markets, as rice is the staple food of more than half of the world's population, is likely to provide ample growth opportunities for players in the market. Many companies are penetrating regional markets through strategic partnerships, which is likely to add to consolidation within the market over time. As a global player in packaged Basmati rice industry, *Amira brings a successful track record of brand-building and product innovation, which represent distinct competitive advantages.* Rooted in tradition and with over 100-year history of progress, Amira has developed a deep and extensive customer base with strong relationships with large international and regional customers, which allows the Company to consistently deliver large quantities of high-quality products globally in a timely manner and with high quality. The Company continues its global expansion with numerous retail and foodservice distribution wins in the U.S. and the Middle East and became one of only a handful of companies to get approval to sell its products in China. In addition to its focus on marketing, Amira is consistently growing their Amira branded presence by introducing new products to sell to customers locally. We believe Amira is well positioned in the marketplace with its global distribution, strong leadership team, and longstanding customer relationships. Amira positions itself as a premium, high quality, and packaged specialty rice brand but offers a comprehensive integrated suite with award-winning products which customers value. *We view Amira's pricing, product quality, and brand quality in combination as distinctly positioning the business.*

We view Amira's pricing, product quality, supply chain and brand quality in combination as distinctly positioning the business



Source: Diamond Equity Research Analysis

## Valuation

It is challenging to value Amira Nature Foods given its recent tepid sales and no perfect comparable company and given the fact the company has delayed its annual financial statements. Given the inherent assumptions involved in a discounted cash flow and the difficulty in projecting long term cash flows at this stage, we have chosen to use comparable multiples to value the business. In our comparable company analysis, we screened for small to mid-capitalization companies within the agriculture and packaged food industries. We used a blend of these companies to arrive at a median enterprise value to revenue multiple. We also assume the Indian subsidiary is not consolidated from FY 2020 going forward. From our analysis, we have found the shares to be undervalued with significant upside if the company executes on the international growth and turn around management anticipates. *We arrive at a valuation of \$4.00 per share valuation using our forecasted 2020 FY revenue of \$198 million and a median enterprise value revenue multiple of 1.33 times revenue of Amira's peer group.*

Amira Nature Foods appears substantially undervalued relative to their historical and comparable company trading multiples

### Comparable Company Analysis

Valuation		MCAP (USD)	EV (USD)	EV / Sales			EV / EBITDA			EV / EBIT			Price / Earnings		
				LTM	2018	2019	LTM	2018	2019	LTM	2018	2019	LTM	2018	2019
6001-SA	H B	338	422	1.82x	1.82x	1.73x	10.8x	11.8x	11.4x	6.2x	16.5x	15.7x	29.1x	22.3x	20.6x
SAFM	Sanderson Farms	2,879	2,864	0.89x	0.89x	0.85x	24.8x	20.1x	15.0x	1232.5x	96.0x	47.5x	(361.0x)	94.2x	70.2x
530813-IN	KRBL	1,183	1,164	2.48x	2.14x	1.93x	10.3x	9.4x	8.5x	11.3x	10.0x	9.3x	17.7x	16.3x	14.2x
HAIN	Hain Celestial Group	2,443	3,098	1.29x	1.26x	1.33x	23.6x	12.1x	16.5x	38.5x	16.6x	24.4x	(15.1x)	20.2x	36.1x
532783-IN	LT Foods	168	360	0.71x	0.63x	0.57x	6.8x	5.9x	5.1x	7.8x	6.4x	5.8x	8.4x	6.8x	5.5x
LNCE	Snyder's-Lance, Inc.	-	5,966	2.68x	-	-	23.6x	-	-	38.1x	-	-	-	-	-
INGR	Ingredion	6,202	7,988	1.37x	1.37x	1.37x	7.9x	7.9x	7.9x	10.4x	10.4x	10.5x	15.1x	13.4x	13.2x
THS	TreeHouse Foods	3,580	5,714	0.98x	0.98x	1.03x	11.5x	11.0x	10.2x	24.0x	21.5x	18.7x	(58.7x)	29.1x	25.0x
524332-IN	BCL Industries Ltd	20	53	0.42x	-	-	7.6x	-	-	9.7x	-	-	7.8x	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mean				1.40x	1.30x	1.26x	14.1x	11.2x	10.7x	153.2x	25.4x	18.8x	(44.6x)	28.9x	26.4x
Median				1.29x	1.26x	1.33x	10.8x	11.0x	10.2x	11.3x	16.5x	15.7x	8.1x	20.2x	20.6x
ANFI	Amira Nature Foods Ltd.	68	94			0.47x									

Source: Diamond Equity Research Analysis/ Factset Data Systems

Margins		FactSet Industry	Gross Income			EBITDA			EBIT			Net Income		
			LTM	2018	2019	LTM	2018	2019	LTM	2018	2019	LTM	2018	2019
6001-SA	H B	Food: Major Diversified	33.0%	-	-	-	15.4%	15.2%	15.1%	11.0%	11.1%	5.0%	6.6%	6.8%
SAFM	Sanderson Farms	Food: Meat/Fish/Dairy	6.8%	8.1%	8.2%	3.6%	4.4%	5.7%	0.1%	0.9%	1.8%	-0.2%	1.9%	1.3%
530813-IN	KRBL	Agricultural Commodities/I	26.8%	-	-	21.7%	22.7%	22.8%	20.0%	21.3%	20.9%	12.1%	13.3%	13.8%
HAIN	Hain Celestial Group	Food: Specialty/Candy	19.0%	22.1%	20.3%	5.5%	10.4%	8.1%	3.4%	7.6%	5.4%	-1.3%	4.9%	2.9%
532783-IN	LT Foods	Agricultural Commodities/I	18.6%	24.6%	25.8%	10.0%	10.8%	11.2%	8.3%	9.8%	9.9%	3.5%	4.2%	4.7%
LNCE	Snyder's-Lance, Inc.	Food: Specialty/Candy	35.9%	-	-	11.4%	-	-	7.0%	-	-	6.6%	-	-
INGR	Ingredion	Agricultural Commodities/I	23.4%	23.4%	23.7%	17.2%	17.4%	17.2%	13.0%	13.1%	13.0%	7.6%	7.6%	8.3%
THS	TreeHouse Foods	Food: Major Diversified	15.3%	16.4%	17.9%	8.7%	9.0%	10.0%	4.2%	4.6%	5.5%	-1.1%	2.1%	2.6%
524332-IN	BCL Industries Ltd	Food: Specialty/Candy	18.1%	-	-	5.5%	-	-	4.3%	-	-	2.2%	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mean			21.9%	18.9%	19.2%	10.4%	12.9%	12.9%	8.4%	9.8%	9.6%	3.8%	5.8%	5.8%
Median			19.0%	22.1%	20.3%	9.3%	10.8%	11.2%	7.0%	9.8%	9.9%	3.5%	4.9%	4.7%

Source: Diamond Equity Research Analysis/ Factset Data Systems

Comparable Company 2019 EV/Sales	1.33X
Amira 2020E Sales	198.67
Enterprise Value	\$ 264
Net Debt	26
Equity Value	\$ 238
Shares Outstanding Estimated	45
Valuation Per Share 2020	\$ 5.29
Discount Rate	30%
2019 Valuation Per Share	\$ 4

Source: Diamond Equity Research Analysis/ Factset Data Systems

### Price to Earnings

21-Mar-2014 to 22-Mar-2019 (Daily)



Source: FactSet Fundamentals

Source: Amira Historical Five-Year Price to Earnings Ratio

### Enterprise Value to Sales

21-Mar-2014 to 22-Mar-2019 (Daily)



Source: FactSet Fundamentals

Source: Amira Historical Five-Year Enterprise Value to Sales

### Enterprise Value to EBITDA

21-Mar-2014 to 22-Mar-2019 (Daily)



Source: FactSet Fundamentals

Source: Amira Historical Five-Year Price to Earnings Ratio

### Price to Book Value

21-Mar-2014 to 22-Mar-2019 (Daily)



Source: FactSet Fundamentals

Source: Amira Historical Five-Year Price to Book Ratio

*In addition to trading at a steep discount to its peers, Amira is trading at a steep discount to its historical trading multiples over the past five years. Historically the company has traded between .75x and 1.5x revenue. Investors interested in the opportunity but who have been previously deterred by the valuation, may find now an attractive opportunity.*

## Experienced Management Team

*Amira Nature Food's management team brings years of experience, helping to take the company from a small local family business to a global NYSE company. We are encouraged specifically by the blend of investment and relevant operational experience the team brings.*

**Karan A. Chanana (46, Chief Executive Officer and Chairman of Board):** Mr. Chanana has helped transition the business from a small family business to a major global distributor and is the majority shareholder. Mr. Chanana has been the CEO of Amira India since 2006 and has been a Director of Amira India since 1994. He previously served as Chairman for the Food Processing Value Addition of the Associate Chamber of Commerce and Industry of India. Mr. Chanana received a Bachelor of Commerce degree from the University of Delhi in 1993.

**Varun Sethi (37, Chief Financial Officer):** Mr. Sethi worked at part of Amira's corporate finance and financial reporting team prior to his CFO role. From November 2015 to September 2016, Mr. Sethi worked at Protiviti Consulting (formerly Arthur Anderson Consulting) based in Delhi NCR assisting with transaction, accounting and financial advisory for Indian and multinational businesses. Mr. Sethi brings capital markets, transaction advisory, financial due diligence, audit, and IFRS & US GAAP accounting advisory experience. Mr. Sethi received his Chartered Accountancy degree from Institute of Chartered Accountants of India (ICAI) in 2004 and receive his Bachelors of Commerce (Honours) degree from the University of Delhi, India in 2003.

**Thomas Dennhardt (50, CEO of Amira Basmati Rice GmbH - German Subsidiary)** Mr. Dennhardt has worked for Amira India since Jan 2019. Mr. Dennhardt received an MBA from the European Business School and started his career at Lidl, one of Europe's largest food retailers. As Chief Financial Officer of Lidl, Mr. Dennhardt assisted in building its business in various European countries including Spain and the United Kingdom. More recently, Mr. Dennhardt assisted in building and turning around several other food-related businesses in the United Kingdom and Germany.

**Alireza Yazdi (54, Vice President of Amira I Grand Foods Inc.)** Mr. Yazdi has served as the Vice President of Amira I Grand Foods Inc., USA since 2008 and brings extensive experience with operational, distribution, and retail components of the basmati rice industry. Mr. Yazdi is also responsible for the company's revenue growth, operational growth and strategic planning functions. Prior to assuming this role Mr. Yazdi worked as a general manager for Kusha Rice Corporation for over thirteen years, where he helped launch the Royal brand in the U.S. Mr. Yazdi also brings experience creating and running his own olive oil and rice distribution business. Mr. Yazdi received a Bachelor of Science in Industrial Engineering from Complutense University of Madrid.

*Amira Nature Food's is supported by a strong group of Independent Directors with extensive financial, business and food industry experience.*

## Risk Factors

- The food industry is extremely competitive with Amira Nature Foods competing with Indian and international Basmati rice and food producers. Many of Amira Nature Food's competitors have a wider selection, greater processing capacity, stronger brand recognition, and greater financial and operational resources. Given supply chain management and distribution are the main barriers to entry within the industry, increased consolidation could reduce the companies market penetration and reduce average selling prices of their products.
- The company is subject to unpredictable industry pricing dynamics and business disruptions. The company has had a few challenging fiscal years recently due to challenging industry conditions and there is no assurance this trend will reverse.
- Amira India (Amira's unconsolidated Indian subsidiary) has a substantial amount of debt which may have an adverse effect on the businesses going forward. We note the company recently announced a debt to equity swap which has greatly reduced the liquidity concern separating the Indian subsidiary which was the primary liquidity concern. With this separation, the international subsidiary was able to raise €25 million. There is no assurance the subsidiary will be able to service this debt though based on its cash flows.
- Extensive working capital is required for Basmati rice production, as Basmati rice must be aged for at least 12 months and sometimes up to 24 months before it reaches the needed quality levels. This working capital has been largely financed by debt and there is guarantee such capital can be raised or on acceptable terms.
- Amira Nature Foods faces substantial risks with their international business including staffing, regulatory, currency, taxation and intellectual property risks.
- Insiders have substantial control over the business. Mr. Karan Chanana, the chairman and CEO, owns directly or indirectly (including options) 65% of the ordinary shares of ANFI. In addition, Mr. Karan Chanana's affiliates, including businesses controlled by either himself or his family own a significant stake in Amira India subsidiary and there is no assurance their interests will always align with other shareholders.
- The market for Basmati rice is cyclical and depends on the Basmati paddy harvest. Additionally, the price for Basmati rice depends largely on wholesale market price which is unpredictable.

***These Risk Factors Are Not Comprehensive. For Full List of Risk Factors Please Read Amira Nature Food's Latest Prospectus and/or Annual Filings***

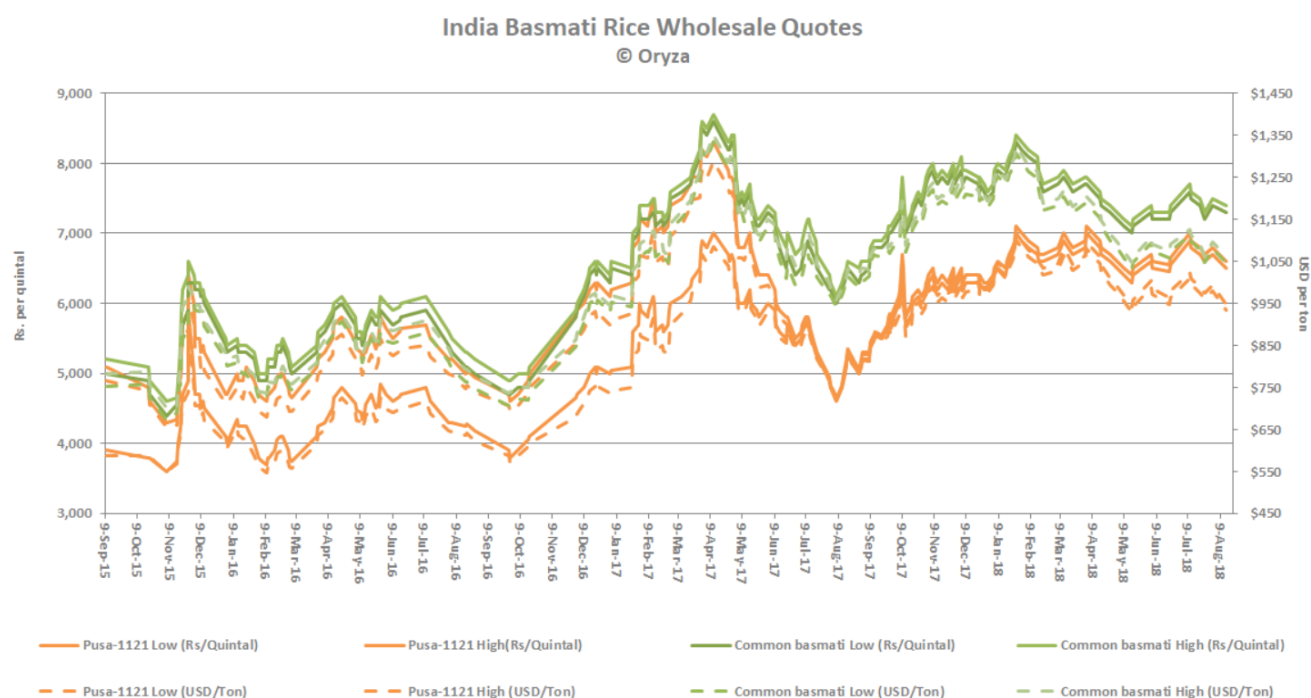


## Appendix

### Income Statement:

<b>Amira Nature Foods (ANFI)</b>										
FY Ends on March 31										
(\$ in mn)	FY17A	FY18A	FY19E	FY20E	FY21E	FY22E	FY23E	FY24E	FY25E	FY26E
<b>REVENUE</b>										
Revenue	551.83	413.90	372.51	198.67	210.59	223.23	236.62	257.91	281.13	306.43
Other Income	\$ 0.049	\$ 5.03	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost of Materials	492.19	373.45	409.76	168.87	179.00	189.74	201.13	219.23	238.96	260.46
<b>Gross Profit</b>	<b>59.64</b>	<b>40.45</b>	<b>-37.25</b>	<b>29.80</b>	<b>31.59</b>	<b>33.48</b>	<b>35.49</b>	<b>38.69</b>	<b>42.17</b>	<b>45.96</b>
Change in inventory of finished goods	35.52	-106.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employee Benefit Expenses	-8.75	-6.80	-5.96	-3.18	-3.37	-3.57	-3.79	-4.13	-4.50	-4.90
<b>Total Operating Expenses</b>	<b>6.94</b>	<b>-129.85</b>	<b>-5.96</b>	<b>-3.18</b>	<b>-3.37</b>	<b>-3.57</b>	<b>-3.79</b>	<b>-4.13</b>	<b>-4.50</b>	<b>-4.90</b>
<b>EBIT</b>	<b>66.63</b>	<b>-84.37</b>	<b>-47.31</b>	<b>24.44</b>	<b>25.90</b>	<b>27.46</b>	<b>29.10</b>	<b>31.72</b>	<b>34.58</b>	<b>37.69</b>
Finance Costs	-29.27	-34.11	-31.69	-5.00	0.00	0.00	0.00	0.00	0.00	0.00
Finance Income	0.26	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other gains and (losses)	-1.51	4.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit Before Tax	\$ 36.11	\$ (113.54)	\$ (79.00)	\$ 19.44	\$ 25.90	\$ 27.46	\$ 29.10	\$ 31.72	\$ 34.58	\$ 37.69
Income Tax Expense	\$ (4.60)	\$ 19.94	\$ 10.27	\$ 2.53	\$ 3.37	\$ 3.57	\$ 3.78	\$ 4.12	\$ 4.50	\$ 4.90
<b>Consolidated Net Income</b>	<b>\$ 31.51</b>	<b>\$ (93.60)</b>	<b>\$ (68.73)</b>	<b>\$ 21.96</b>	<b>\$ 29.27</b>	<b>\$ 31.03</b>	<b>\$ 32.89</b>	<b>\$ 35.85</b>	<b>\$ 39.07</b>	<b>\$ 42.59</b>
Minority Interest	6.42	-	15.37	-	-	-	-	-	-	-
<b>Net Income to Shareholders</b>	<b>\$ 25.09</b>	<b>\$ (78.22)</b>	<b>\$ (54.98)</b>	<b>\$ 21.96</b>	<b>\$ 29.27</b>	<b>\$ 31.03</b>	<b>\$ 32.89</b>	<b>\$ 35.85</b>	<b>\$ 39.07</b>	<b>\$ 42.59</b>
Weighted average number of shares	29.82	34.06	48.00	50.00	52.00	55.00	58.00	61.00	64.00	67.00
<b>Earnings per Share from Cont Ops (in \$)</b>										
Basic	0.84	(2.30)	(1.15)	0.44	0.56	0.56	0.57	0.59	0.61	0.64

## India Basmati Wholesale Pricing:



Source: Amira Nature Foods March 2019 Investor Presentation

*Basmati rice prices have tended to have approximately two-year cycles, but the overall trend in pricing has been noticeably upward.*

## Amira Nature Food's Brands:

### Amira's Product Portfolio



Broad product portfolio with more than ~100 SKUs globally

Rice Products				Institutional Offerings		
				Opportunistic sale of agricultural products to large international and regional trading firms		
Brand/ Product Lines	Premium Basmati Rice	Value Basmati Rice	Other Specialty Rice	Wheat	Barley	Legumes
	<ul style="list-style-type: none"> <li>Pure Basmati Rice</li> <li>Extra Long Grain Basmati Rice</li> <li>Indian Basmati Rice</li> <li>Brown Basmati Rice</li> <li>Traditional Basmati Rice</li> <li>Smoked Basmati Rice</li> </ul>	<ul style="list-style-type: none"> <li>Daily Fresh Basmati Rice</li> <li>Goodlength Day to Day Basmati Rice</li> <li>Everyday Basmati Rice</li> <li>Goodlength Broken Basmati Products</li> <li>Parboiled Basmati Products</li> <li>Banquet Rice</li> </ul>	<ul style="list-style-type: none"> <li>Thai Jasmine Rice</li> <li>Sharbati Aromatic Long Grain Rice</li> <li>Kheer Rice</li> <li>Khichdi Rice</li> <li>Sona Masoori Rice</li> </ul>			
Product Features	<ul style="list-style-type: none"> <li>Consists of the finest grains of aromatic Basmati</li> <li>Aged for as much as 12+ months</li> <li>More than doubles in size when cooked</li> <li>Rich taste and fragrant aroma</li> </ul>	<ul style="list-style-type: none"> <li>Consist of different types of high-quality rice such as a mix of Basmati rice varieties or a mix of broken rice</li> <li>Value alternative commonly used as an "everyday" Basmati and by restaurants or catering companies</li> </ul>	<ul style="list-style-type: none"> <li><b>Thai Jasmine:</b> sourced from Thailand; has a fragrant aroma and chewy texture</li> <li><b>Sharbati Aromatic Long Grain:</b> everyday rice; purchased by foodservice customers</li> <li><b>Kheer:</b> formulated for rice pudding</li> <li><b>Khichdi:</b> made for Indian and South Asian comfort food; used as infant and toddler food</li> <li><b>Sona Masoori:</b> aromatic and light grain white rice</li> </ul>			
AMIRA	Branded	✓	✓	✓		
	Third Party Branded	✓	✓	✓		
				Other Product Adjacencies		
				Edible oils	Organic Products	

Source: Amira Nature Foods March 2019 Investor Presentation

Amira Nature Foods has more than 100 SKUs and has the capacity to tailor its products to specific customer demands and price points. The company has recently expanded into edible oils and organic product offerings, along with an opportunistic agricultural business.

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