

Aventus Capital advises LT Foods on investment of INR 455.5 crore from SALIC for 9.22% equity stake

Mumbai, November 10, 2022

The Board of Directors of LT Foods in its meeting today approved the preferential issuance of 27,408,164 equity shares, i.e. 7.89% equity stake in LT Foods, at INR 142.23 per share to SALIC, a Saudi Joint Stock Company that is owned by the Public Investment Fund of the Kingdom of Saudi Arabia. In addition, SALIC will acquire 1.33% equity stake through a secondary share purchase from the Promoters Group. Post completion of this transaction, SALIC will hold 9.22% equity stake in LT Foods. The promoters of the company will continue to hold the majority equity stake of 51%.

In a related transaction, LT Foods will purchase 29.52% equity stake in its subsidiary, Daawat Foods Ltd., from SALIC which was acquired in February 2020 through its subsidiary 'United Farmers Investment Company'. LT Foods will acquire this stake for INR 175.8 crore and post completion of the transaction it will hold 100% equity stake in Daawat Foods Limited.

Further, the Company will also enter into a Strategic Supply & Cooperation Agreement with SALIC to further support SALIC in its food security agenda along with giving LT Foods a significant access to a large market. The relevant transactions are subject to necessary regulatory approvals.

Aventus Capital acted as the exclusive financial advisor to LT Foods on this transaction.

Speaking on the occasion, **Chairman of LT Foods, Mr. Vijay Kumar Arora** said, "Our partnership with SALIC is strategic in nature and goes beyond financial investment. The tripling of investment in LT Foods by SALIC is an expression of their confidence in our ability to grow faster than the market. Together, we have developed a deep understanding of the needs of consumers in the Middle East related to food products and it will open doors for LT Foods to further strengthen its presence in this segment.

I take this opportunity to thank the management of SALIC for showing confidence in LT Foods' business model and growth strategy," he further added.

Group CEO of SALIC, Sulaiman AlRumaih said, "The extension of our partnership with LT Foods is in-line with SALIC's strategy to contribute to the food security objectives. Our 3 years old investment in Daawat Foods Ltd., gave us an understanding of the management style of LT Foods, their market and business understanding and their deep commitment to sustainability, innovation to always serve its consumers better. This gave us the confidence to increase our investment in LT Foods and build a strong strategic partnership with the Company"

Abha Agarwal, Executive Director and Co-head, Consumer, FIG & Business Services, Aventus Capital said, "It is an honor for us to advise LT Foods, one of the leading consumer food company globally. Over the last 70 years, the company has built a legacy by creating multiple leadership brands across the globe and has continuously evolved to

DEAL RELEASE

Release Date: November 10, 2022

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adapt to consumer needs and preferences. I'm sure that this new partnership with SALIC will accelerate LT Foods' growth journey across products and geographies”

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