



Temptation Foods Limited acquires Everfresh

Strategic acquisition to expand Temptation Foods Limited offerings

Mumbai, November 7, 2007 – Temptation Foods Limited, a leading exporter of processed fruits and vegetables, today announced the signing of the agreement to acquire the entire business of Everfresh from Chambal Fertilisers and Chemicals Limited. One of the biggest domestic brands in the frozen fruits and vegetables segment, Everfresh reached the topline of Rs 20 crores in 2007. Temptation Foods Limited (TFL) will fund the acquisition from the amount raised via its recently concluded QIP issue.

Mr Vinit Kumar, Chairman and Managing Director, Temptation Foods Limited said

“We welcome the Everfresh employees and management team to Temptation Foods Limited. This acquisition ties in with our growth plans, which is strong brands and a balance between domestic and export business. The Everfresh acquisition will also give us a robust Pan Indian sales and distribution network. We will look at expanding the breadth and depth of the Everfresh brand and also look at exploring export opportunities.”

This acquisition strengthens TFL’s suite of offerings across all areas of the frozen fruits and vegetables business. It also helps TFL access North India’s produce fruits through the processing facility of Everfresh.

Temptation Foods Ltd. recently announced that they had successfully closed the QIP issue for Rs 114 crores (being 7,600,000 shares at Rs 150 each). The share issue was over subscribed 1.58 times and received interest from international investors. Some of the key allottees have been Citigroup Global Markets, Macquarie Bank, HSBC Financial Services, Morgan Stanley, Lehman Brothers, UBS Securities, Merrill Lynch and Wardferry. The issue was Lead Managed by Keynote Corporate Services Limited and Cantor Fitzgerald acted as Financial Advisor.



About Temptation Foods Ltd:

Temptation Foods Ltd. (TFL) was set up in 1991 on the outskirts of Pune, 200 Kms from the Port of Mumbai (near the raw material growing areas) for Individual Quick Frozen (IQF) processing of fruits and vegetables. TFL underwent a complete financial restructuring in 2006 making it completely debt free by raising approx. US\$ 3 million from international hedge funds and HNIs. TFL has had cash profits for the past 6 years and closed 2006-07 with a turnover of US\$ 9.6 million and a PAT of US\$ 1.42 million resulting in an annualised EPS of 10.93 cents per share on a fully diluted basis. For more information, log on to www.temptationfoods.com

About Everfresh

Everfresh's processed food unit is located at Sonapat, Haryana, just 40 kms, away from Delhi. The unit has advanced facilities of processing, packaging and freezing of high quality fruits and vegetables. Being closer to the source is the biggest advantage that Everfresh passes on to its customers. All 'EVERFRESH' products ensure the highest standards of nutrition, taste, hygiene and quality as no preservatives are added during processing or packaging. EVERFRESH conforms to both national and international standards of quality and hygiene including FPO. By using advanced German 'Individually Quick Freezing' (IQF) Technology, high standards of hygiene are maintained at every stage of processing.

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