



Snowman Logistics announces Q1 FY2018 results

Bengaluru, August 10, 2017:

During the first quarter ended June 30, FY18, Snowman recorded sales of Rs. 47.83 crores as against Rs. 44.57 crore during the previous quarter ended March 31, FY17. EBITDA increased to Rs. 9.23 crore from Rs. 6.12 crore, a growth of 51 percent for the same period.

When compared to last year or the quarter ended June 30, FY17 the sales and EBITDA were down by 3.7 percent and 37 percent respectively. The company made a net loss of Rs. 2.06 crore for the quarter ended June 30, FY18 as against a profit of Rs 1.79 crore in the previous year.

The loss was on account of GST implementation which slowed down the goods movements to warehouse in the month of June itself, and inventory in the distribution network reduced.

Commenting on the result, the Chairman, Mr. Prem Kishan Gupta said, “Food logistics is an integral part of the food value chain and is one of the fastest growing industries in India. The cold chain market is projected to be valued at \$ 271.30 bn by 2022 with a CAGR of 7.0% during 2017-2022. The immense growth in Food Processing, Dairy & Beverage industry has created a huge demand for an efficient logistics, cold chain & transportation solutions & service providers. Snowman is the number one player in India in the cold chain logistics business and we are confident to continue our pole position. With the new management team in place, we look forward to capturing a considerable market share.”

Speaking about the quarter performance, Sunil Nair, CEO, Snowman Logistics said, “When we compare our Q1 numbers to the previous quarter, however modest, we have performed to our expectation. The year 2016-17 was a challenging one for the company. The company undertook several change initiatives to consolidate its position as a market leader. Also, there was a shift in our business model where we moved from leasing vehicles to owning vehicles. We have gone ahead and implemented several systems and processes to improve operational efficiency that will add tremendous value for our customers. GST implementation has slowed down the goods movements, and inventory in the distribution network, which was expected, however, we see this as a short-term influence on our business and expect positive impact of GST in the coming months.”

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