



Burger King India Limited

Q3 FY22 Earnings Presentation

24th January 2022



Certain statements made in this presentation relating to the Company's objectives, projections, outlook, expectations, estimates, among others may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc., whether express or implied. These forward-looking statements are based on various assumptions, expectations and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, competitive intensity, pricing environment in the market, economic conditions affecting demand and supply, change in input costs, ability to maintain and manage key customer relationships and supply chain sources, new or changed priorities of trade, significant changes in political stability in India and globally, government regulations and taxation, climatic conditions, natural calamity, commodity price fluctuations, currency rate fluctuations, litigation among others over which the Company does not have any direct control. These factors may affect our ability to successfully implement our business strategy. The company cannot, therefore, guarantee that the 'forward-looking' statements made herein shall be realized. The Company, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward-looking statements as may be required from time to time on the basis of subsequent developments and events.

Executive Summary – Q3 FY22



Business Highlights:

- Revenue from Operations for Q3 FY22 at **INR 2,798.9 Mn** vs INR 2,454.0 Mn for Q2 FY22; with 14% sequential growth (QoQ);
- **Q3 FY22 ADS Recovery* at 104%** on FY20 ADS
 - Delivery business continued growth momentum with ADS recovery* at 160%;
 - Dine-in business continued to grow in Q3 with ADS recovery* at 78% vs 65% in Q2;
 - Region Recovery: West: 119%; South & East: 108% and North: 95%
 - Gross profit margin **improved by 70 bps** from 65.4% to **66.1%**; in-line with our expectations
- **Dec'21 ADS Recovery* at 111%** on FY20 ADS
 - Delivery ADS recovery at 166%; Dine-in recovery improved to 86%
 - Region Recovery: West: 126%, South & East: 115%, North: 102%
- **Restaurant EBITDA at INR 481.2 Mn; 17.2%** for Q3 FY22 vs INR 407.7 Mn; 16.6% in Q2 FY22
- **Company EBITDA at INR 328.2 Mn; 11.7%** for Q3 FY22 vs INR 256.0 Mn; 10.4% in Q2 FY22

Update on Burger King Indonesia Acquisition:

- Based on the approval of Board, definitive agreements executed on December 16, 2021 to acquire 83.24% stake at Enterprise Value of USD 183 Mn (on a cash free and debt free basis for 100% of the shares of BK Indonesia)
- Necessary approval from shareholder received; Closing subject to various approvals and other conditions.

*Average Daily Sale (ADS) recovery is calculated with current period ADS to full year FY20 ADS

Executive Summary – Q3 FY22



Restaurant Growth:

- **294 restaurant count** as at 31st December 2021
- Q3 FY22 Net Addition: 20 restaurants (Opened: 20; Closed: 0)
- 9 restaurants under construction and 65 restaurants in pipeline as at today

BK APP

- BK APP Delivery revenue growth >41% QoQ
- Over 2.35 Mn APP installs; >55% growth over last quarter installs

BK Café

- Soft launch of 1st BK Café on 9th November 2021;
- 18 BK Café opened in Q3;
- 8 BK Café under construction as at today

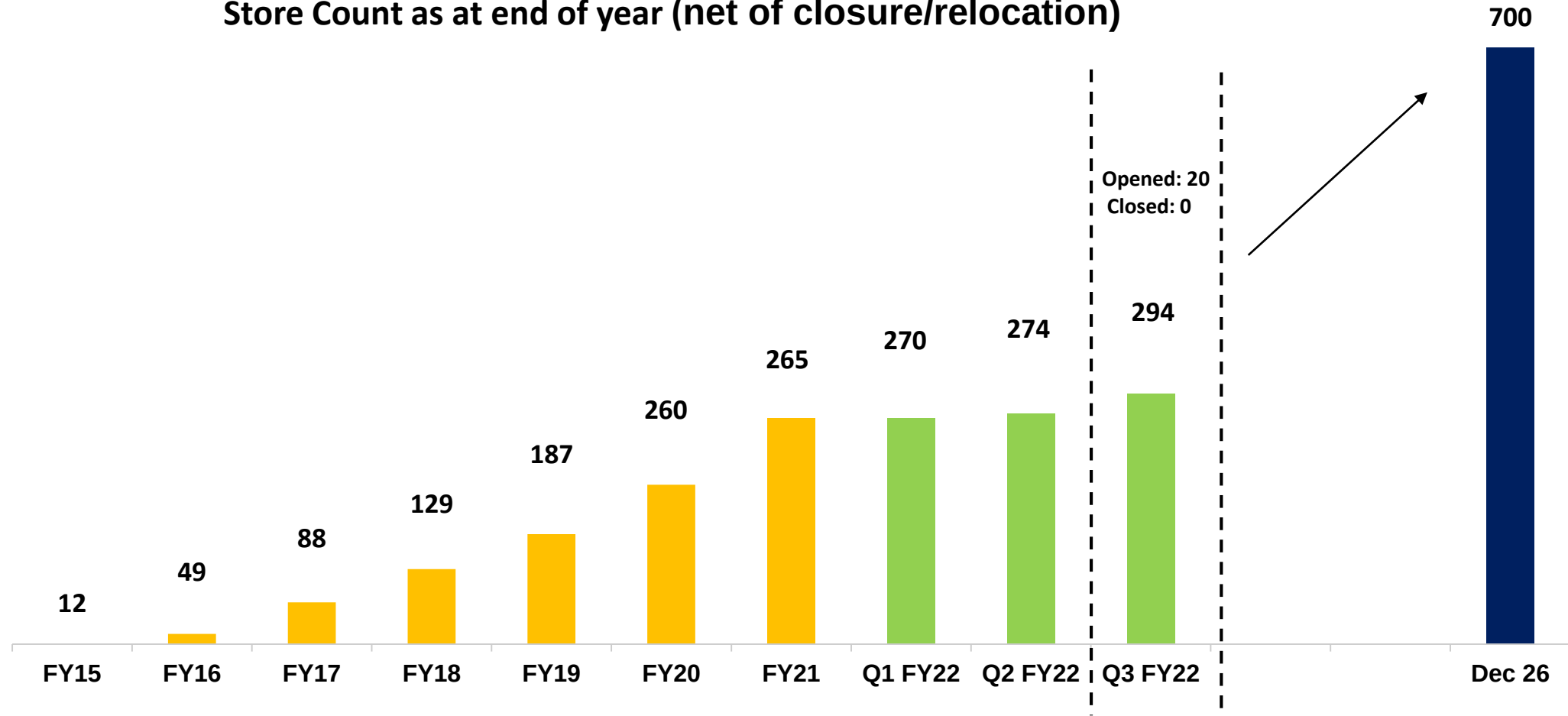
Stunner Menu (Value Strategy 2.0)

- Media campaign continued in Q3 with 360 TV + Digital campaign
- High Stunner acceptance amongst customers

Store Opening Status

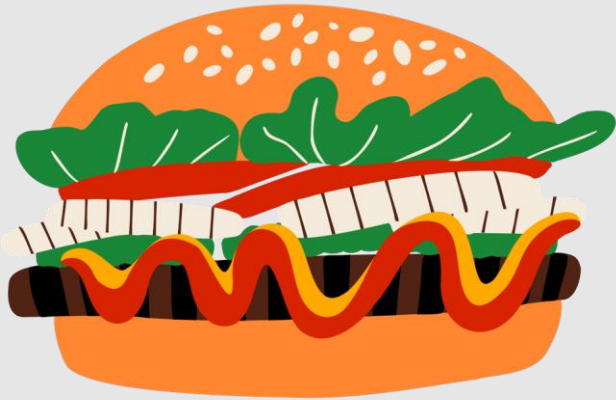


Store Count as at end of year (net of closure/relocation)

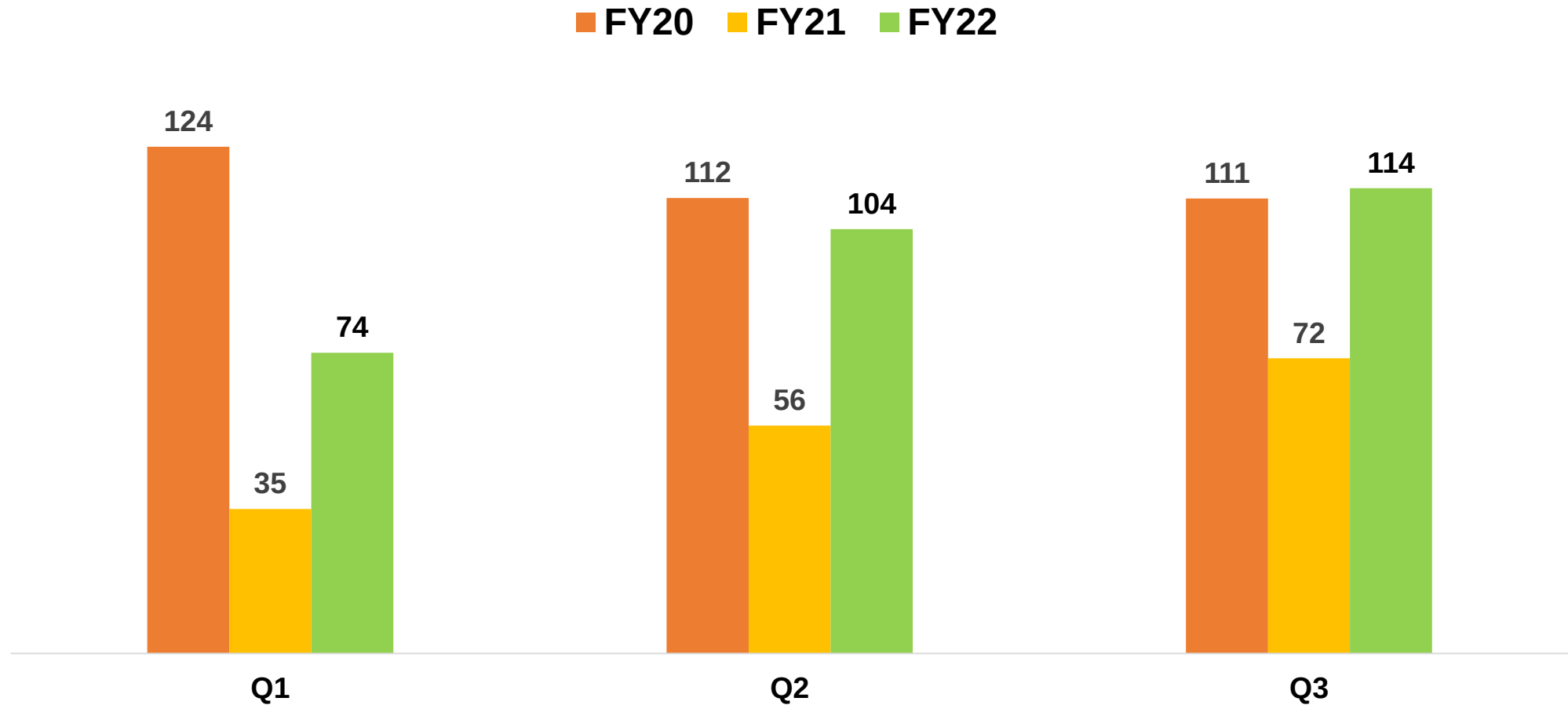




Q3 FY22 – Business Update

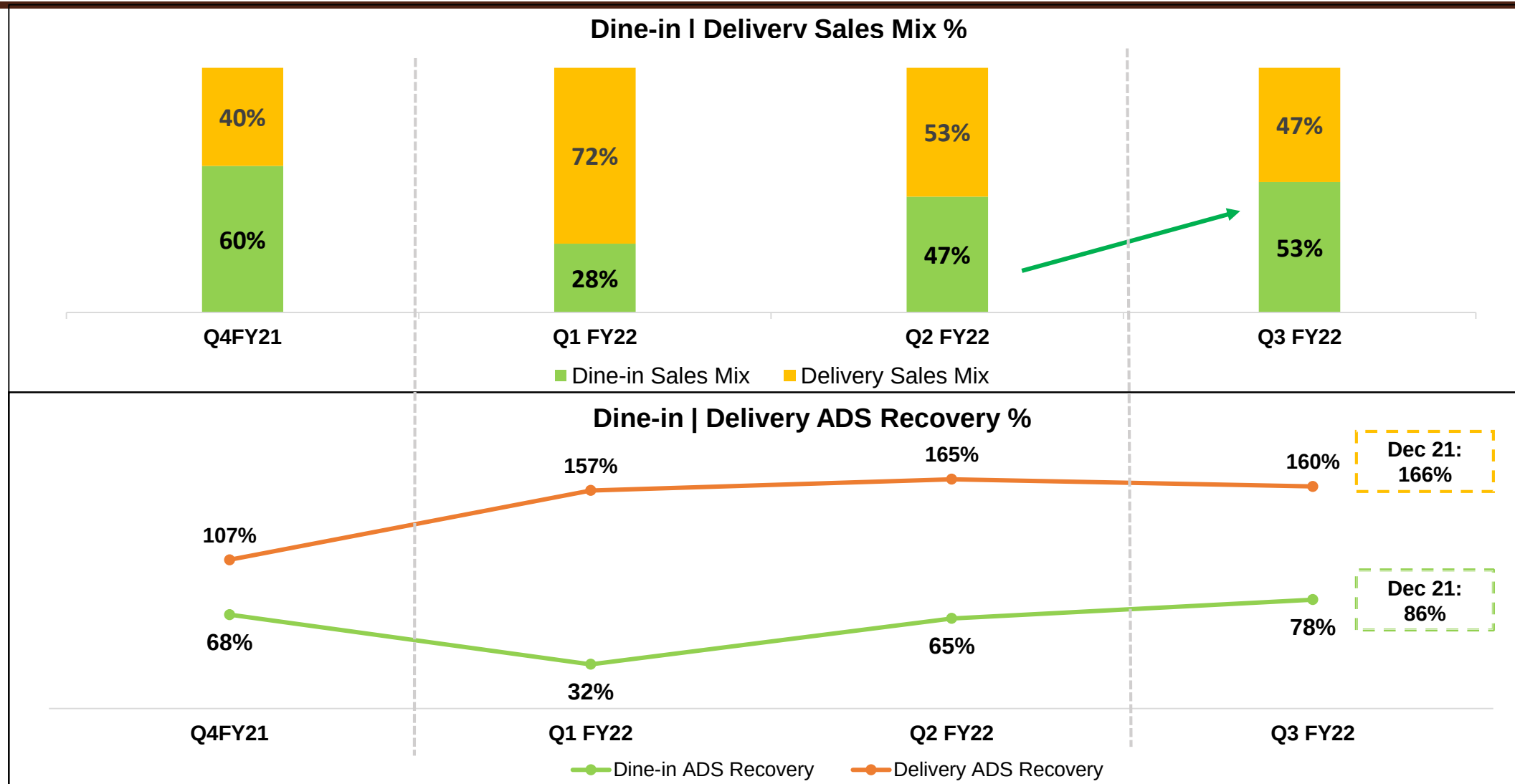


Pan India – Quarterly ADS (INR in ‘000)



*ADS is average daily sales INR in thousands for own operational stores

Dine-in | Delivery - Sales Mix and ADS Recovery*



*Dine in and Delivery ADS Recovery (average daily sale) is comparison of current month Dine in and Delivery ADS vs full year Dine in and Delivery ADS of FY 20 respectively

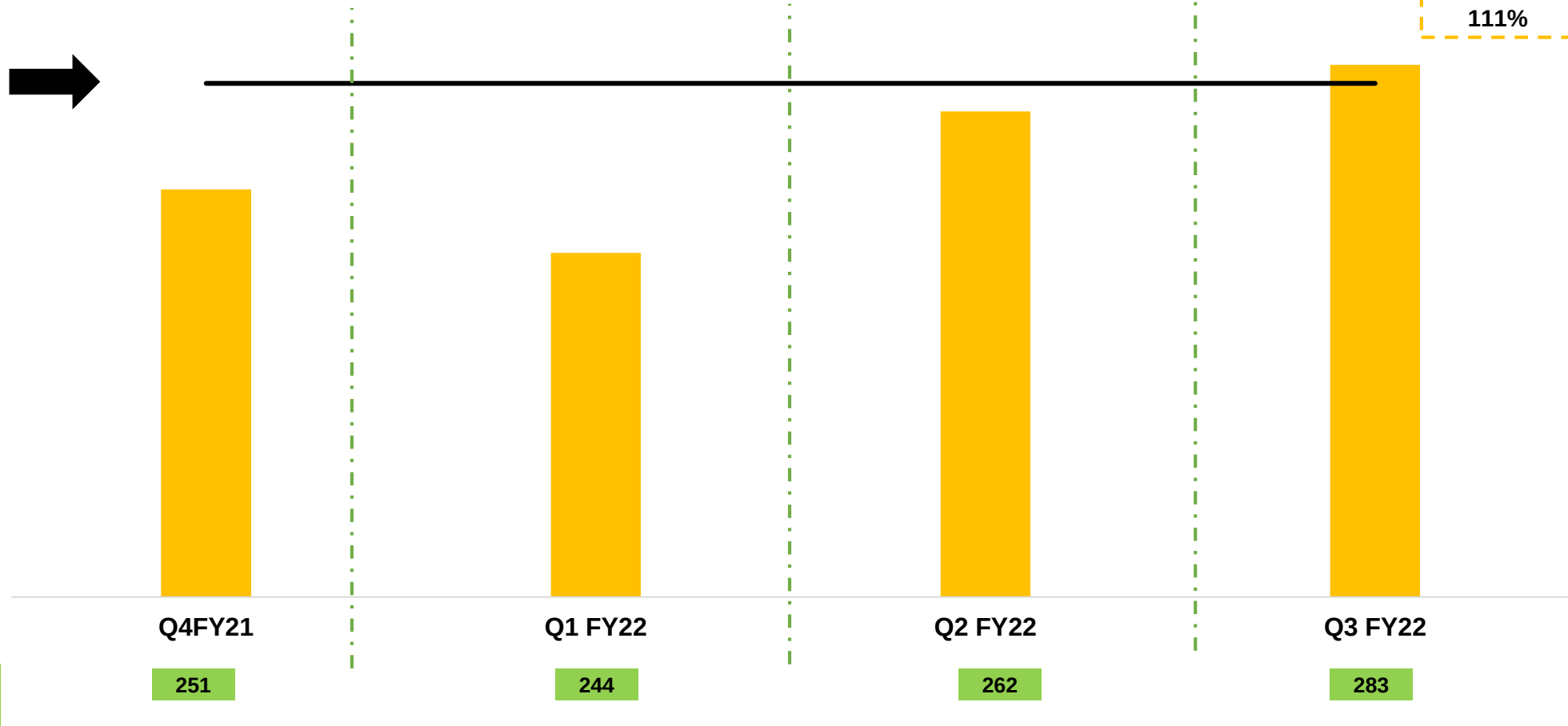
Overall Pan India – ADS Recovery* on FY20 Baseline



104% recovery in Q3 FY2022

FY20 Base line →

Dec 21:
111%



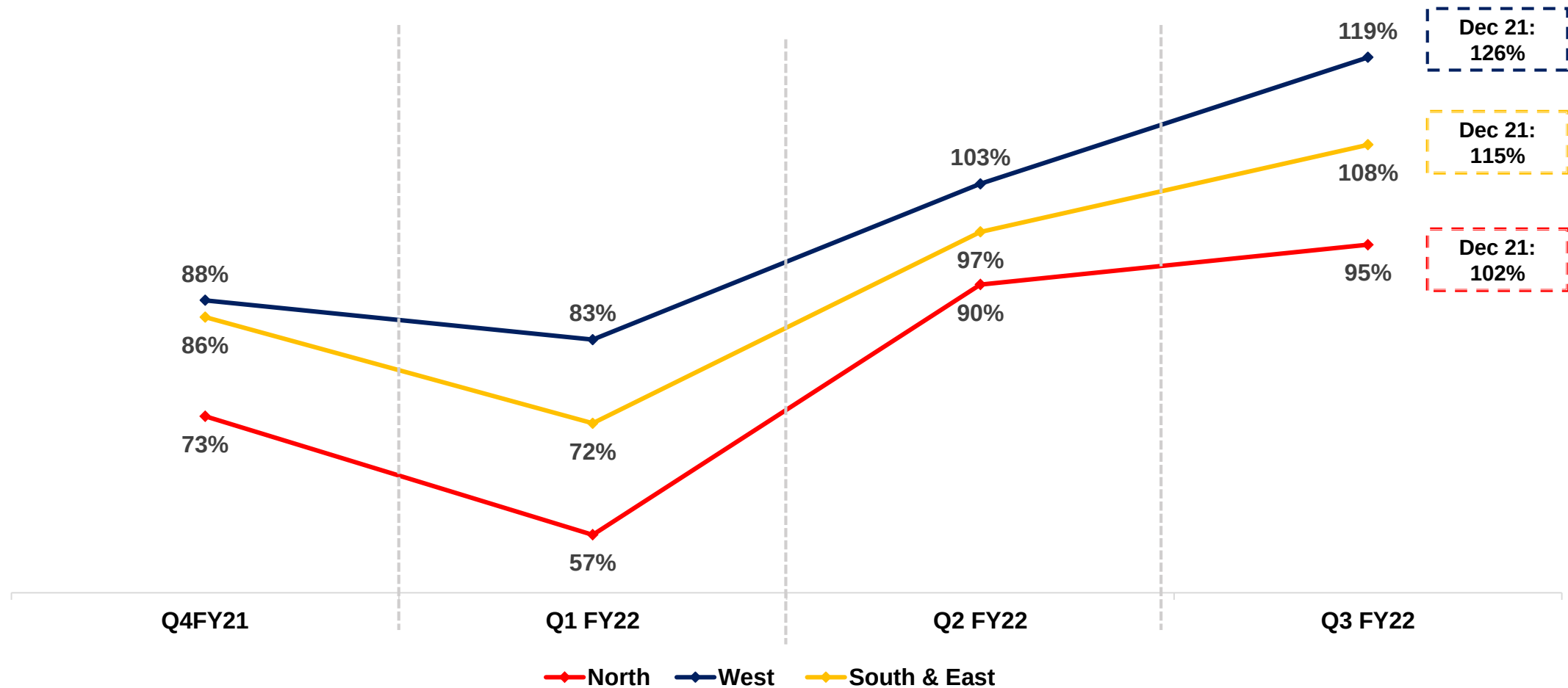
Total Own Operational store at exit

*ADS Recovery (average daily sale) is comparison of current month ADS vs full year ADS of FY 20

Region wise- ADS Recovery* on FY20 Baseline



West, South & East Leading Recovery >100%



*ADS Recovery (average daily sale) is comparison of current month ADS of respective region vs full year ADS of FY 20 of respective region

Q3 FY22 – Operating Performance

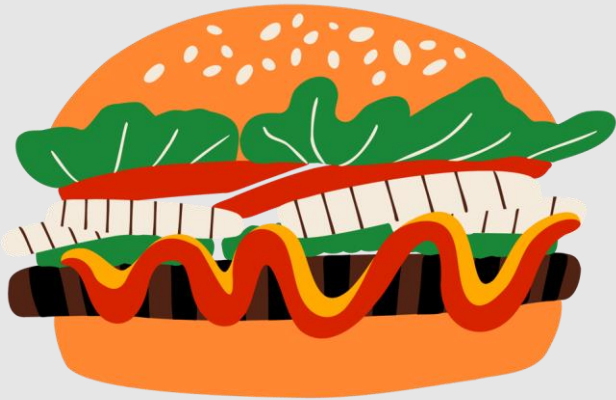


Particulars (INR Million)	Q3 FY22	%	Q2 FY22	%	QoQ Gr%	Q3 FY21	%	9M FY22	%	9M FY21	%
Revenue from operations	2,798.9	100.0%	2,454.0	100.0%	14.1%	1,631.9	100.0%	6,750.1	100.0%	2,984.0	100.0%
Cost of materials consumed	949.7	33.9%	849.2	34.6%	11.8%	589.4	36.1%	2,320.4	34.4%	1,081.3	36.2%
Gross Profit	1,849.2	66.1%	1,604.8	65.4%	15.2%	1,042.5	63.9%	4,429.8	65.6%	1,902.7	63.8%
Employee Related Expenses	287.2	10.3%	246.0	10.0%	16.8%	209.0	12.8%	716.5	10.6%	512.1	17.2%
Occupancy and Other Expenses^	1,080.8	38.6%	951.1	38.8%	13.6%	451.3	27.7%	2,663.7	39.5%	931.6	31.2%
Restaurant EBITDA	481.2	17.2%	407.7	16.6%	18.0%	382.2	23.4%	1,049.5	15.5%	459.0	15.4%
Corporate General & Administration expense	153.0	5.5%	151.7	6.2%	0.9%	141.3	8.7%	450.1	6.7%	377.7	12.7%
Company EBITDA	328.2	11.7%	256.0	10.4%	28.2%	240.9	14.8%	599.4	8.9%	81.2	2.7%

^includes lease concession in Q3 FY22 : Rs 35.9 Mn; in Q2 FY22: Rs. 68.6 Mn, in Q3 FY21: Rs. 160.8 Mn



Q3 FY22 – Marketing Update



Building Brand Love with Whopper

1. Driving consumption frequency with Limited Time Variants
2. Quarterly Cornerstones to drive consumer engagement



- Exclusive on BK App
- 5 Mn+ Impressions , 29K Clicks
- Coverage by leading media in India
- International coverage in South Korea, Australia, Italy, France



Strengthening BK App based delivery ecosystem



41%

**QOQ growth on
App Sales**

177

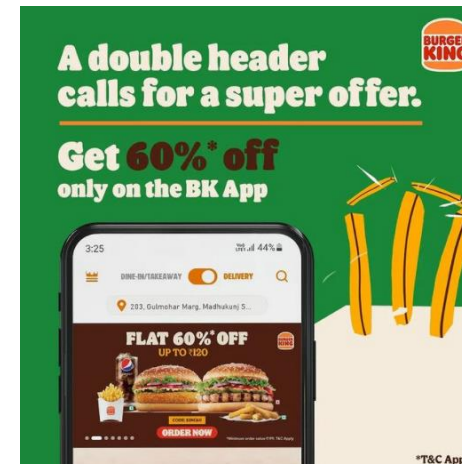
**E-bikes for BK
Delivery**

2.35Mn

**Cumulative Installs
~422K MAU**

New Features Added

- Social Media Login
- New Offer Engine
- Order Cancellation
- Product Add On Revamp
- Rider Call Activation



BK Café – 18 Pilot Café across Regions

- 18 BK Café in Q3
- 8 BK Café under construction
- Mix of trade areas to assess potential
- High Visibility Inputs in Café Trade Areas
- Exciting sweet and savoury café food menu



Increasing Trial and Volume amongst Consumers



39%
 Growth in Stunner
 Volumes since
 Campaign Break*

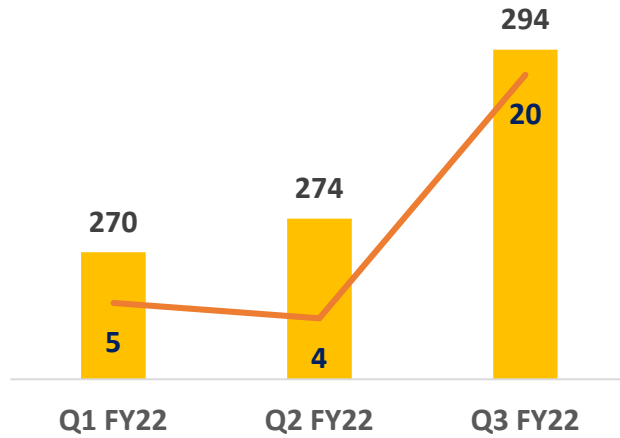
- High Stunner acceptance amongst Value Consumers

**Index to July'21 volume
 (Stunner Campaign Launch on 15th July)*

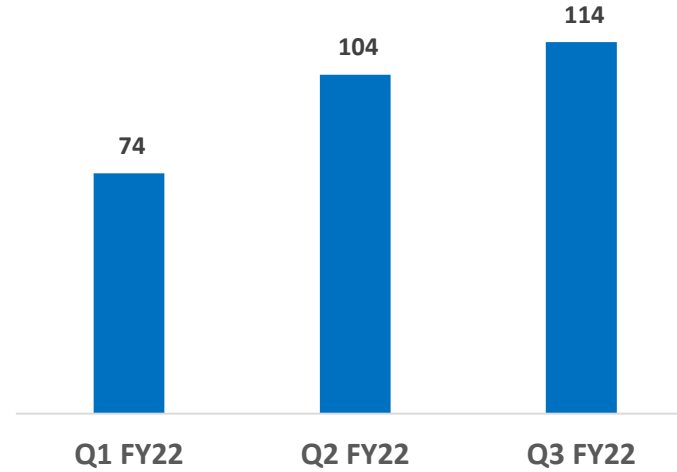
Summary of Key Performance Indicator



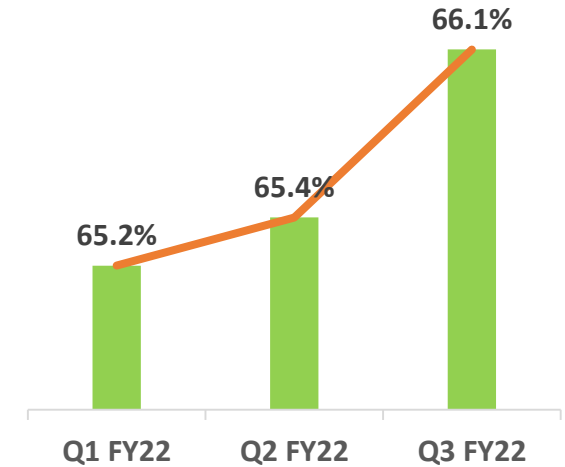
Number of Stores



ADS (Rs' 000s)



Gross Profit %



Our performance in Q3 FY'22 is in line with earlier guidance and we will provide outlook along with Q4 performance

Shareholder Approval received on 20th January 2022 for:

- Acquisition of 83.24% stake in PT Sari Burger Indonesia (“BK Indonesia”) at Enterprise Value of USD 183 Mn (on a cash free and debt free basis for 100% of the shares of BK Indonesia)
- Increase in authorised capital to Rs. 6,000 million divided into 600,000,000 shares.
- Issue of securities through public and/or private offerings for amount not exceeding Rs. 15,000 million
- Name change to “ Restaurant Brands Asia Limited”; effective post ROC approval

Burger King India, We Are Just Getting Started!

For additional Information:

**Mr. Prashant Desai,
Head of Strategy and Investor Relations
Email: pdesai@burgerking.in**

