



Date: May 18, 2023

To,

National Stock Exchange of India Limited Exchange Plaza, Block G, C/1, Bandra Kurla Complex, Bandra (E), Mumbai – 400051 Symbol: SAPPHIRE	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 Scrip Code: 543397
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Dear Sir/Madam,

Subject: Corporate Presentation

Pursuant to the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith Corporate Presentation.

The Corporate Presentation is also available on Company's website (<https://www.sapphirefoods.in/investors-relation/corporate-presentation>) under FY23 Q4 section.

Request you to kindly take the same on record.

Thanking you,
For Sapphire Foods India Limited



Sachin Dudam
Company Secretary and Compliance Officer

Encl: a/a



SAPPHIRE FOODS INDIA LIMITED CORPORATE PRESENTATION – MAY'23



SAFE HARBOR



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SAPPHIRE FOODS AT A GLANCE



YUM's **Franchisee** Operator in India, Sri Lanka and Maldives



Sri Lanka's **Largest** International QSR chain ⁽¹⁾



₹ **5,592 MN** Q4 FY23 Restaurant Sales



18.4% [21.0%] Q4FY23 EBITDA margin
₹ **1,030 MN** [1,036] Q4FY23 EBITDA



19.2% [17.8%]* FY23 EBITDA margin
₹ **4,343 MN** [3,054]* FY23 EBITDA



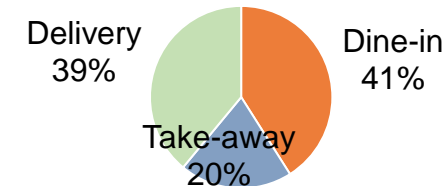
743 Total Restaurants Across India, Sri Lanka and Maldives ⁽³⁾



342 KFC Restaurants ⁽²⁾
392 Pizza Hut Restaurants ⁽²⁾
9 Taco Bell Restaurants ⁽²⁾



Omni Channel Mix ⁽³⁾



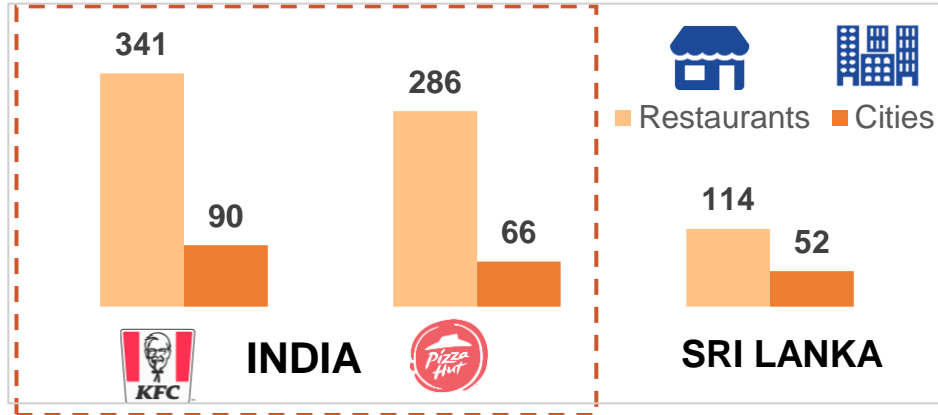
Source: Company data, Technopak industry report

*FY22 EBITDA% and ₹ value is Normalized for additional incentives accrued in that period

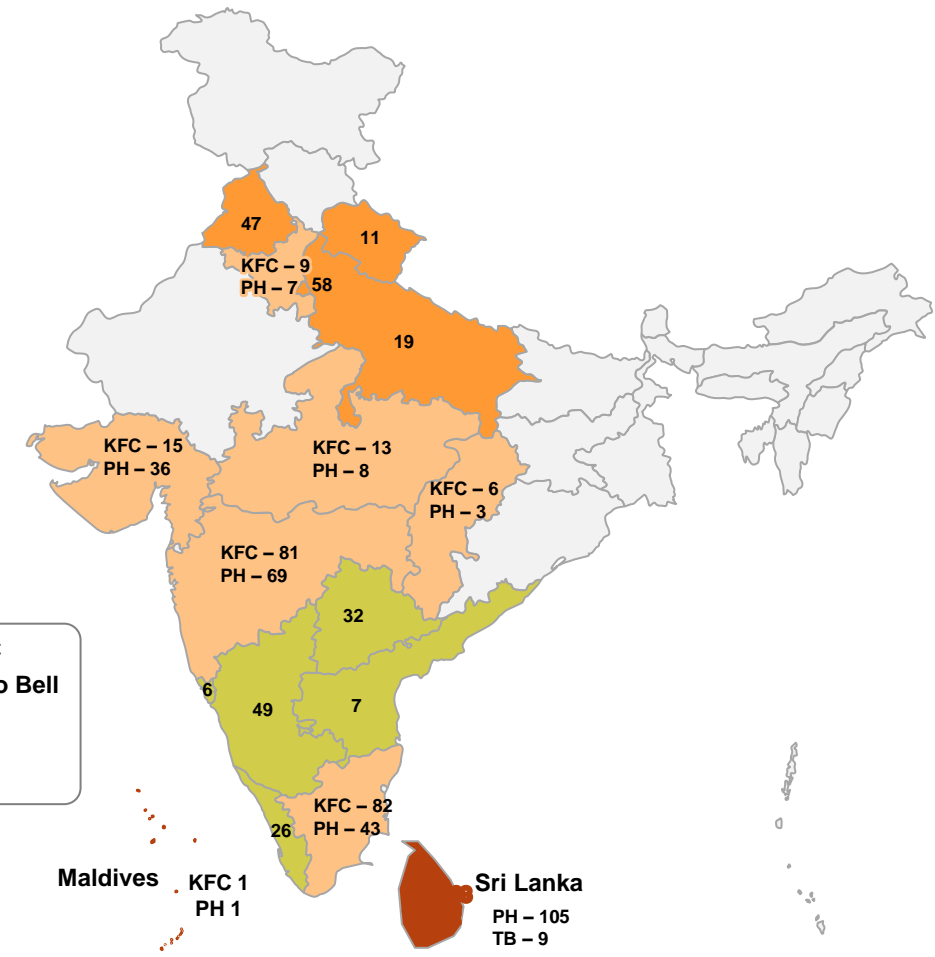
(1) In terms of Restaurant Sales for FY21 and number of restaurants operated as of March 31, 2021; (2) As of Mar 31, 2023; (3) Pertains to FY23

JOURNEY OF SAPPHIRE FOODS

BUILT A PLATFORM OF 743 OUTLETS (1)



SAPPHIRE FOODS: GEOGRAPHICAL PRESENCE (1)



~ KFC and Pizza Hut Brands Operate in States that cover 56% of GDP (2)

KFC and Pizza Hut present in 10 and 11 states of India respectively

KFC and Pizza Hut present in 5 and 6 of the Top 8 cities of India respectively

Top 8 Cities in India contribute 87% of Chain Food Services Market (3)

21 Cities where 316 restaurants of both KFC and Pizza Hut are operated

Source: Company data, Technopak Industry Report
 (1) As of Mar 31, 2023; (2) GDP contribution of states In FY19 where Pizza Hut and KFC restaurants are located; (3) In FY20

THE SAPPHIRE STORY



Two global brands
(KFC & Pizza Hut) with **Scale
& PAT profitability** among
Top 3 QSR operators



Capability and capital to
rapidly drive organic and
inorganic growth plans

**Value based work
culture, high on
governance** enabled by
professional
management, board and
promoters



Execution Mindset
Great Customer
experience along with
Superior Back-end
operational excellence

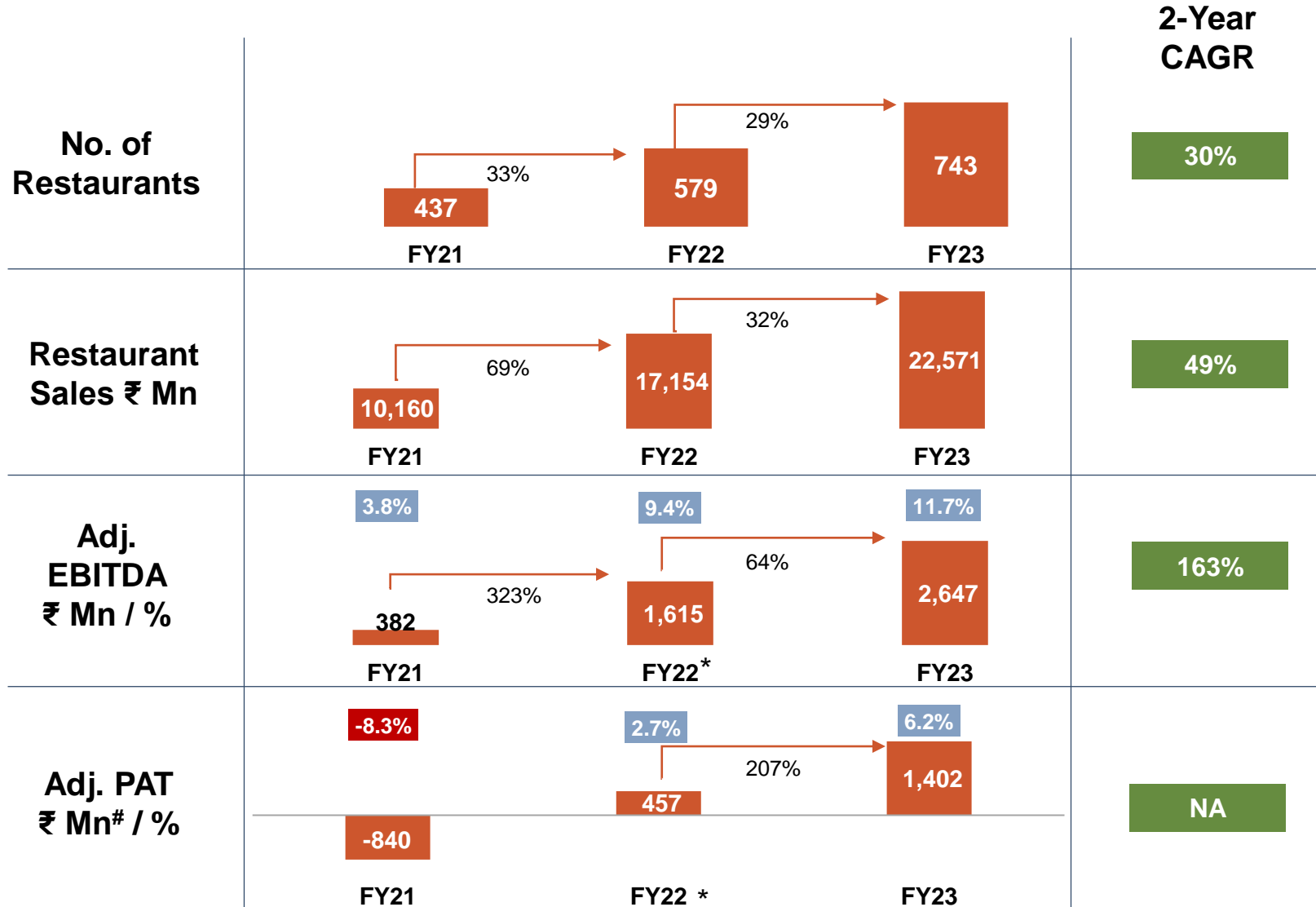


**Optimal capital allocation
drives new restaurant
expansion model** - focus on
smaller sized **omni-channel
restaurants**



FINANCIAL OVERVIEW

SAPPHIRE FOODS: FY23 HIGHLIGHTS



FY23 - Best Ever Annual Performance

Highest Restaurant Sales: ₹22.6 Bn

Highest Adj. EBITDA: ₹2.6 Bn and Highest margin of 11.7%

Highest Adj. PAT (before DTC): ₹1.4 Bn and Highest margin of 6.2%

Highest New Restaurant Additions: 164

Best Ever Year for KFC and Pizza Hut India (Rest. Sales and Rest. EBITDA% vs FY22 normalised EBITDA)

Pizza Hut Sri Lanka despite challenges, Rest. Sales grew by 48% YoY in LKR terms | No.1 QSR Brand in the Country

Adj. EBITDA and Adj. PAT is before Ind-AS 116 adjustments

* Adj. EBITDA and Adj. PAT for FY22 have been normalized for additional incentive from Yum accrued in that year

Adj PAT excludes Deferred Tax Credit (DTC) of ₹1253 mn towards carried forward losses in SFIL in FY23. Post DTC the Adj PAT is ₹2,654 Mn

SUMMARY CONSOLIDATED FINANCIALS

Q4 & FY23



Particulars	Q4 FY22	Q4 FY23	Change YoY	FY22	FY23	Change YoY
Restaurant Sales ₹ mn	4,943	5,592	▲ 13%	17,154	22,571	▲ 32%
Adj. EBITDA ₹ mn	636	563	▼ -11%	1,615	2,647	▲ 64%
%	12.9%	10.1%	▼ -280 bps	9.4%*	11.7%	▲ 230 bps
EBITDA ₹ mn	1,036	1,030	▼ -1%	3,054	4,343	▲ 42%
%	21.0%	18.4%	▼ -260 bps	17.8%*	19.2%	▲ 140 bps
PAT ₹ mn #	265	1,355	▲ 411%	266	2,332	▲ 777%
%	5.4%	24.2%	▲ 1880 bps	1.6%*	10.3%	▲ 870 bps
Restaurant Additions	29	28		142	164	

Adj. EBITDA and Adj. PAT is before Ind-AS 116 adjustments

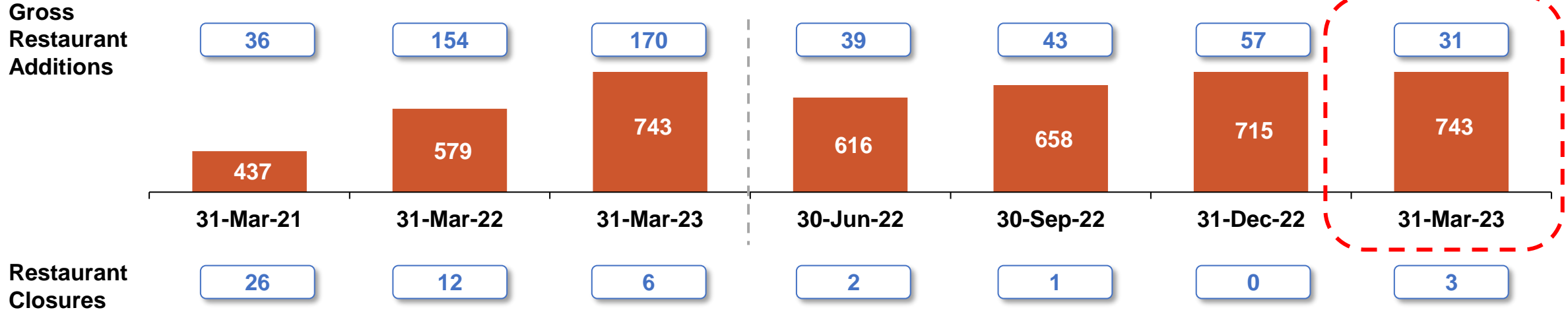
* These numbers have been normalized for additional incentive from Yum accrued in that year

PAT includes Deferred Tax Credit (DTC) of ₹1253 Mn towards carried forward losses in SFIL in Q4 FY23. **Adj. PAT before DTC is ₹187 Mn (3.3%) in Q4 FY23 and ₹1402 mn (6.2%) in FY23**

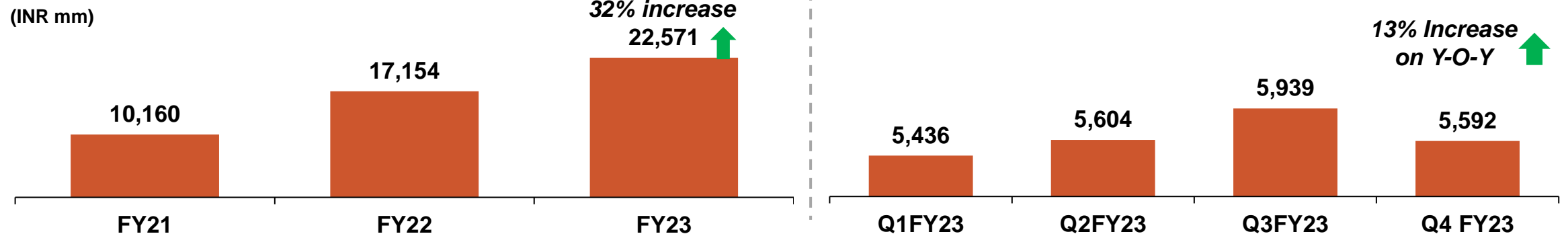
OPERATIONAL & FINANCIAL OVERVIEW



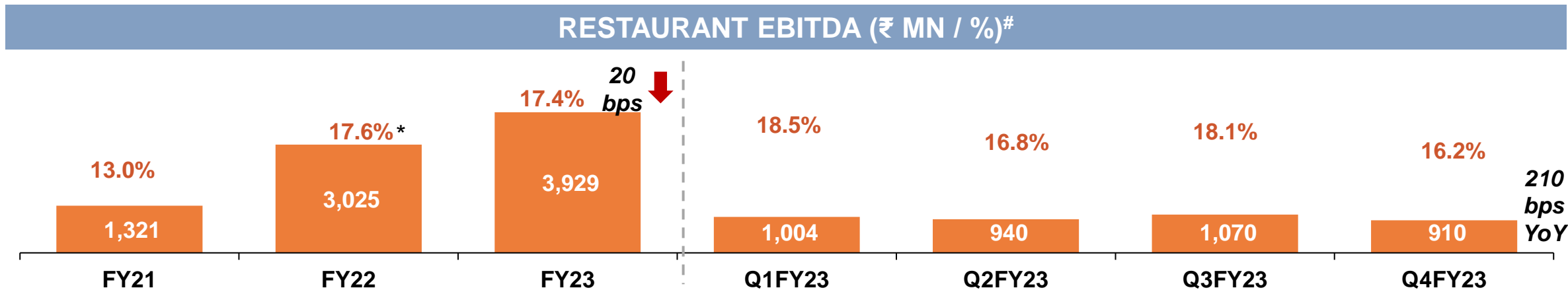
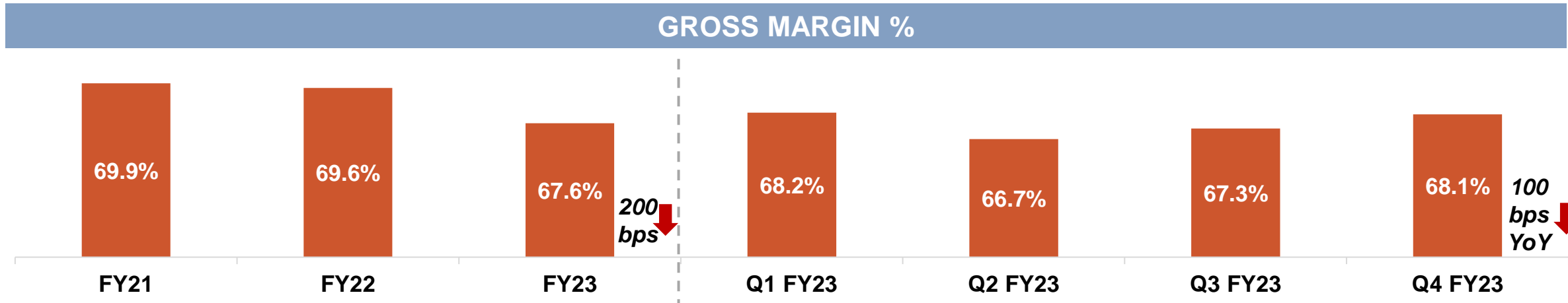
NUMBER OF RESTAURANTS



RESTAURANT SALES



PROFITABILITY OVERVIEW



KEY INITIATIVES

- Zero-based cost budgeting leading to permanent cost reduction**
- PACE SETTER program for benchmarking cost amongst restaurants**
- Optimization of restaurant size**
- Increase in revenue from Delivery from 21% in FY19 to 39% in FY23**

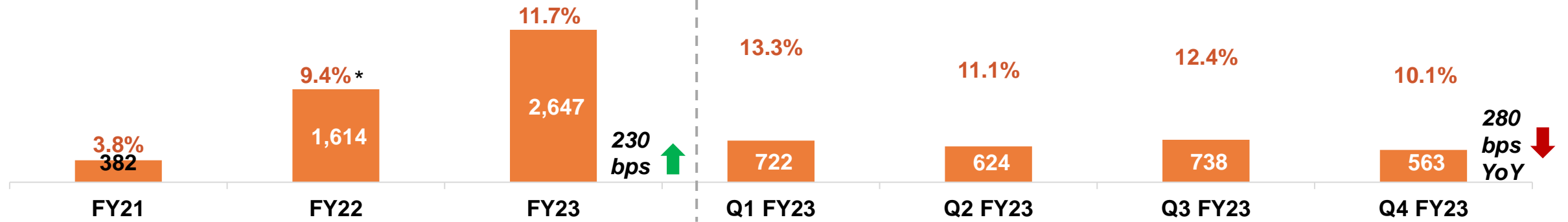
Restaurant EBITDA is before Ind-AS 116 adjustments

*Restaurant EBITDA % and ₹ Value is Normalized for additional incentives accrued in that period and YoY comparison is with Normalized numbers of FY22

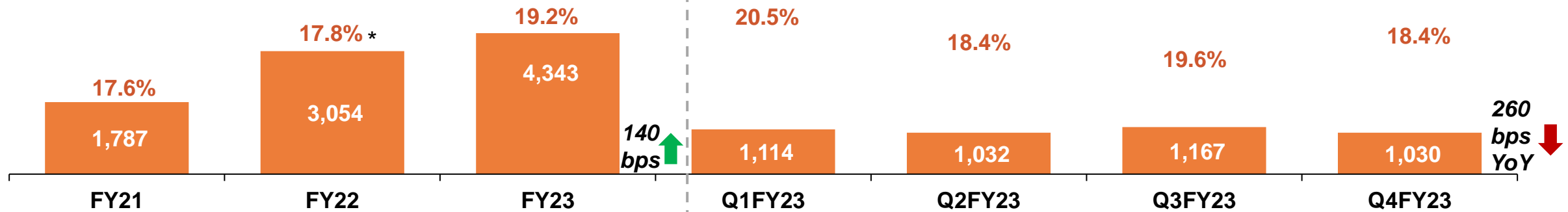
PROFITABILITY OVERVIEW



ADJ. EBITDA (₹ MN / %)



EBITDA (₹ MN / %)



KEY INITIATIVES



Zero-based cost budgeting leading to permanent cost reduction



PACE SETTER program for benchmarking cost amongst restaurants



Optimization of restaurant size



Increase in revenue from Delivery from 21% in FY19 to 39% in FY23

Adj. EBITDA is before Ind-AS 116 adjustments

*Adj. EBITDA and EBITDA % and ₹ Value is Normalized for additional incentives accrued in that period and YoY comparison is with Normalized numbers of FY22



SEGMENTAL PERFORMANCE

KFC BRAND PRIORITIES



Enhance Fried Chicken Category Relevance

- "Let's KFC" communication campaign



Craveable Taste

- Innovation: Chizza, Chicken Popcorn with Maggi, Popcorn Nachos



Value

- Entry value innovation: Chicken Rolls
- Abundant Value: Bucket Options



Frictionless Customer Experience

- Digital Kiosks
- KFC App
- Partnering with aggregators



Operational Excellence

- 7 Minutes express pickup



Improve Accessibility

- Double the restaurant count in 3-4 years

CORE COMPOSITION OF OUR BUSINESS: KFC INDIA



	AS OF MAR 31, 2020 / For FY20	AS OF MAR 31, 2021 / For FY21	AS OF MAR 31, 2022 / For FY22	AS OF MAR 31, 2023 / For FY23
Total Restaurant Count	187	203	263	341
Average Daily Sales per Restaurant (INR'000s)	130	106	130	135
Restaurant Related Revenue (in INR mm)	7,753	5,897 24%	10,349 75%	14,529 40% YoY
Restaurant EBITDA (in %)	13.0%	14.0% 100 bps	18.7%* 470 bps*	19.4% 70 bps YoY*

Net restaurant additions of **16** in Q4 FY23 and **78** in FY23

Source: Company data

*Restaurant EBITDA % is Normalized for additional incentives accrued in that period and YoY comparison is with Normalized numbers of FY22

PIZZA HUT BRAND PRIORITIES



Build Top-of-Mind Awareness

- Enhance marketing investments: TV campaign



Taste Leadership in Pizza category

- Innovation: 10 New Pan Pizzas, 2 new Pastas, Keema Garlic Bread



Value

- Entry level value: Flavor Fun Pizzas
- Attractive Meal options



Frictionless Customer Experience

- New Pizza Hut app
- Self ordering Dine In table QR code



Operational Excellence

- Use of Technology (Dragon Tail, Hut Bot) to simplify operations and improve customer experience



Improve Accessibility

- Double the restaurant count in 3-4 years
- 1000 Sft. Model for increasing density in top 6 cities

CORE COMPOSITION OF OUR BUSINESS: PIZZA HUT INDIA



	AS OF MAR 31, 2020 / FOR FY20	AS OF MAR 31, 2021 / FOR FY21	AS OF MAR 31, 2022 / FOR FY22	AS OF MAR 31, 2023 / FOR FY23
Total Restaurant Count	174	162	219	286
Average Daily Sales per Restaurant (INR'000s)	58	48	57	58
Restaurant Related Revenue (in INR mm)	3,344	2,218 34%	3,710 67%	5,214 41% YoY
Restaurant EBITDA (in %)	7.2%	5.0% 220 bps	11.4%* 640 bps	13.3% 190 bps* YoY

Net restaurant additions of **12** in Q4 FY23 and **67** in FY23

Source: Company data

*Restaurant EBITDA % is Normalized for additional incentives accrued in that period and YoY comparison is with Normalized numbers of FY22

CORE COMPOSITION OF OUR BUSINESS: SRI LANKA OPERATIONS



	AS OF MAR 31, 2020 / For FY20	AS OF MAR 31, 2021 / For FY21	AS OF MAR 31, 2022 / For FY22	AS OF MAR 31, 2023 / For FY23
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Total Restaurant Count	64	70	95	114
Average Daily Sales per Restaurant (INR'000s)	92	94	108	72
Restaurant Related Revenue (in INR mm)	2,038	1,966 4%	2,983 52% (INR) 60% (LKR)	2,716 9% (INR) 48% (LKR)
Restaurant EBITDA (in %)	16.2%	19.6% 340 bps	22.0%* 240 bps	14.8% 720 bps* YoY

Net restaurant additions of **0** in Q4 FY23 and **19** in FY23

Source: Company data

*Restaurant EBITDA % is Normalized for additional incentives accrued in that period and YoY comparison is with Normalized numbers of FY22

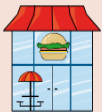



UNIT ECONOMICS



INDIA

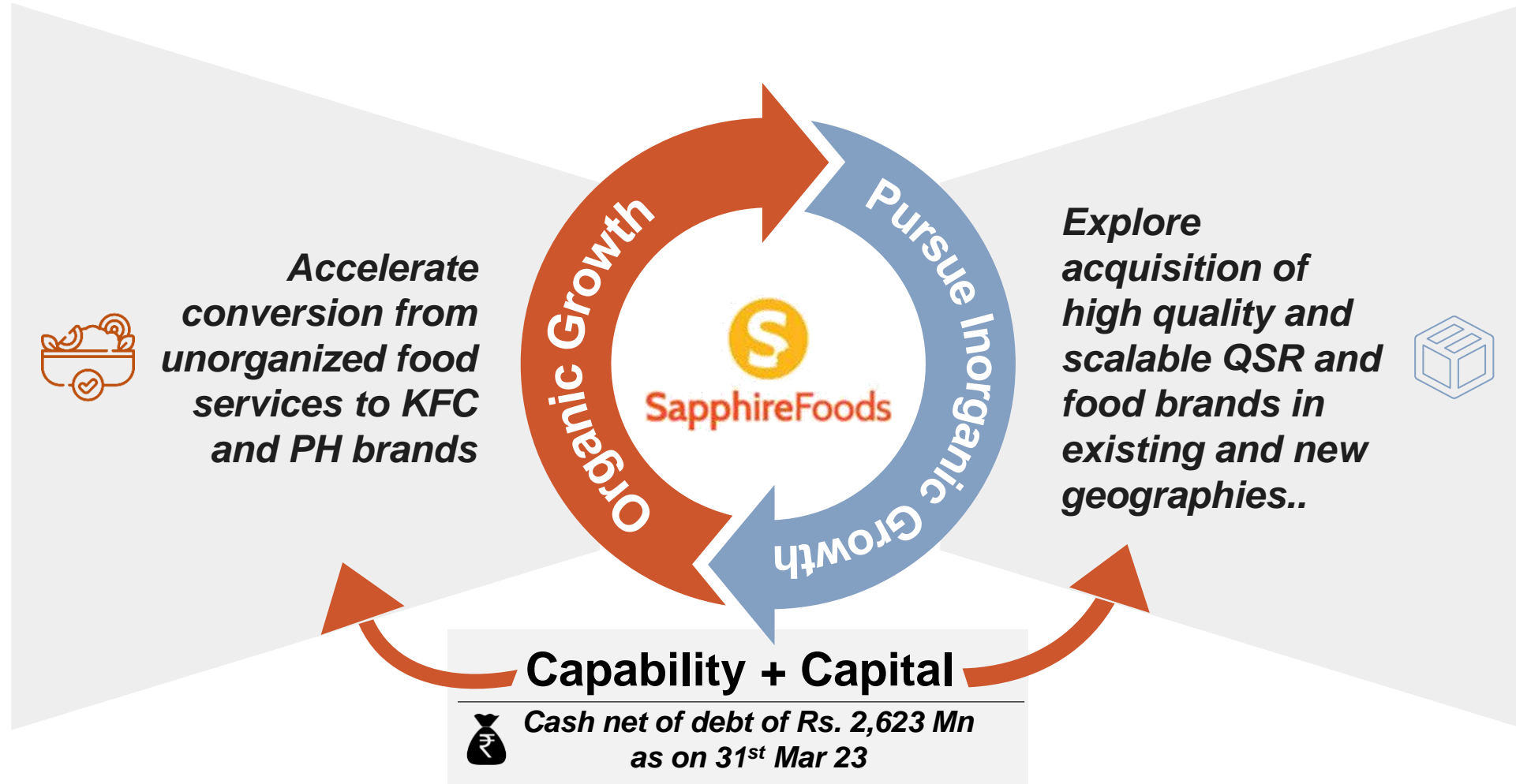


INDIA

	As of 31-Mar-19	Current		As of 31-Mar-19	Current
Avg Size of Restaurant (in Sq. ft.) 	2,736	~ 1,500	 Reduction in Avg Restaurant size ~45%	2,427	~ 1,200
Average Daily Sales per Restaurant (in ₹ '000) 	<u>FY19</u> 125	<u>FY23</u> 135		<u>FY19</u> 61	<u>FY23</u> 58
Restaurant EBITDA % 	<u>FY19</u> 12.7%	<u>FY23</u> 19.4%		<u>FY19</u> 7.5%	<u>FY23</u> 13.3%

In Pizza Hut 1,000 sqft. restaurants to be rolled out for densification. We expect this will be around 10-15% of our new restaurants going forward

WELL POSITIONED TO CAPTURE FUTURE OPPORTUNITIES



SCALABILITY IN FOOD BUSINESS



SAPPHIRE FOODS' 7 MANTRAS TO DRIVE SCALABILITY IN FOOD BUSINESS

Centre of plate / meal /
daily consumption

Difficult to make at
home

Brand differentiation –
provenance story

Production processes
do not need 'chefs'

Value-for-money

Quick service

Omni-channel worthy

MANAGEMENT TEAM



RIGHT PEOPLE IN KEY SEATS

MANAGEMENT TEAM WITH DIVERSE EXPERIENCES



Vijay Jain
Finance



Deepak Taluja
KFC



Vikrant Vohra
Pizza Hut



Sandhydeep Puri
People



Ashu Khanna
Supply Chain



Amar Patel
Technology



Puneet Bhatia
Business
Development



Nandita Avadhoot
Projects



Niraj Patil
Legal

BOARD OF DIRECTORS



OUR DIRECTORS



Sunil Chandiramani
Chairman and Independent Director



Sanjay Purohit
Whole Time Director and Group CEO



Sumeet Narang
Non-Executive Nominee Director



Nobert Fernandes
Non-Executive Nominee Director



Vikram Agarwal
Non-Executive Nominee Director



Vinod Namblar
Non-Executive Nominee Director



Kabir Thakur
Non-Executive Nominee Director



Deepa Wadhwa
Independent Director



Anu Aggarwal
Independent Director

INTERNAL AUDIT

Deloitte.

STATUTORY AUDIT

EY

ESG

pwc

SHAREHOLDING PATTERN



Shareholding Pattern (As on 31 st Mar 2023)	% Holding
Promoters & Promoter Group	44.9
Foreign Company	4.8
Foreign Portfolio Investors / Non-Resident Indians	16.0
Domestic	33.3
Mutual Funds	20.9
Insurance Companies	4.6
Alternate Investment Funds	2.0
Resident Individuals	5.8
Others	1.0
Total	100.0



THANK YOU

Company:



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