

Date: February 15, 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 Q3 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 – FEB'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⁾

 ₹ **5,939 MN** Q3 FY23 Restaurant Sales


 **19.6% [21.5%]*** Q3FY23 EBITDA margin
₹ **1,167 MN [1,084]*** Q3FY23 EBITDA



 **19.5% [16.7%]*** 9MFY23 EBITDA margin
₹ **3,313 MN [2,041]*** 9MFY23 EBITDA

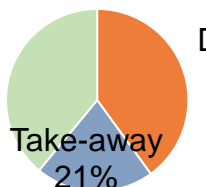
 **715** Total Restaurants Across India, Sri Lanka and Maldives ⁽³⁾

 **326 KFC** Restaurants ⁽²⁾
380 Pizza Hut Restaurants ⁽²⁾
9 Taco Bell Restaurants ⁽²⁾

 Omni Channel Mix ⁽³⁾

Delivery 39% Dine-in 40%

Take-away 21%



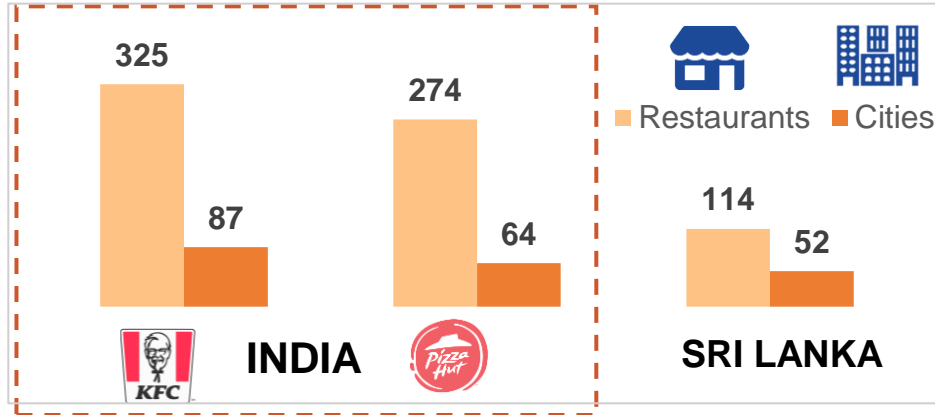
Source: Company data, Technopak industry report

*3M & 9M FY22 EBITDA% and ₹ value is Normalized for additional incentives accrued in that period

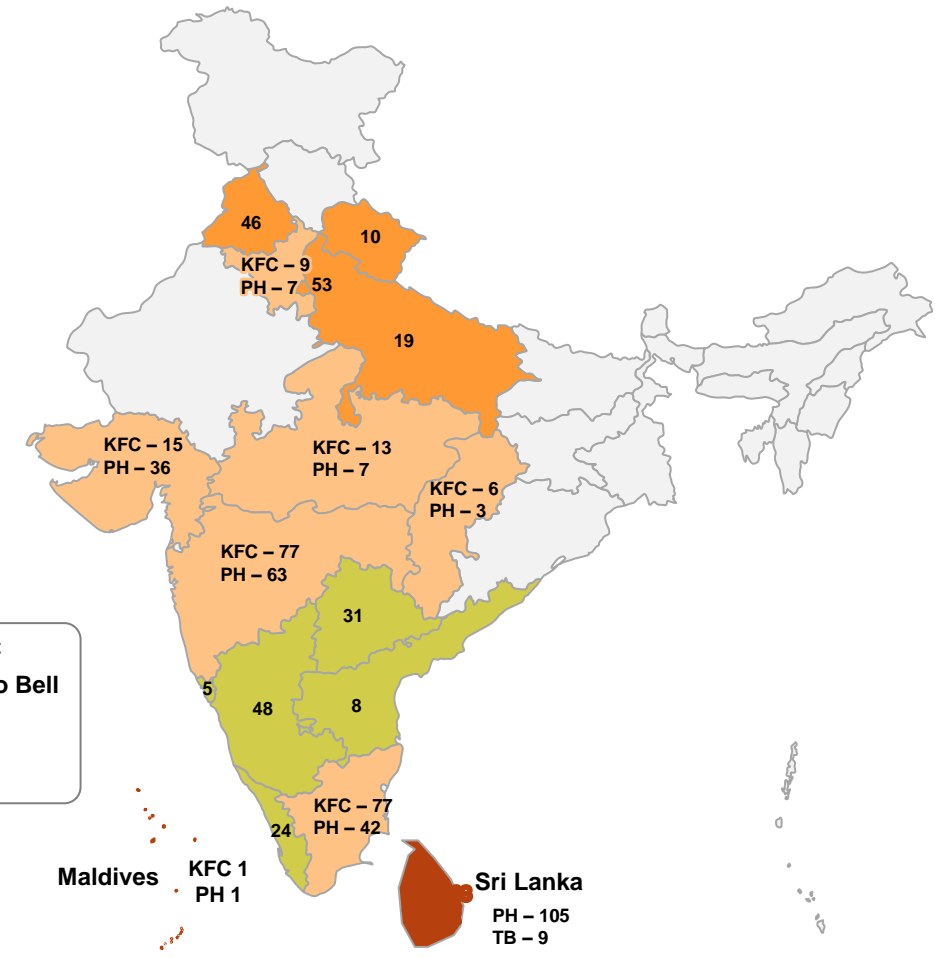
(1) In terms of Restaurant Sales for FY21 and number of restaurants operated as of March 31, 2021; (2) As of Dec 31, 2022; (3) Pertains to 9M FY23

JOURNEY OF SAPPHIRE FOODS

BUILT A PLATFORM OF 715 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)

22 Cities where 305 restaurants of both KFC and Pizza Hut are operated

Source: Company data, Technopak Industry Report
 (1) As of Dec 31, 2022; (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

SUMMARY CONSOLIDATED FINANCIALS

Q3 & 9M FY23 vs NORMALIZED Q3 & 9M FY22



	FY22	Q3 FY22	Q3 FY23	Change YoY	9M FY22	9M FY23	Change YoY
Restaurant Sales ₹ mn	17,154	5,055	5,939	▲ 17%	12,212	16,978	▲ 39%
Adj. EBITDA ₹ mn *	1,615	737	738	▬ 0%	1,001	2,084	▲ 108%
%	9.4%	14.6%	12.4%	▼ -220 bps	8.2%	12.3%	▲ 410 bps
EBITDA ₹ mn *	3,054	1,084	1,167	▲ 8%	2,041	3,313	▲ 62%
%	17.8%	21.5%	19.6%	▼ -190 bps	16.7%	19.5%	▲ 280 bps
PAT ₹ mn *	266	424	327	▼ -23%	24	977	▲ 3971%
%	1.6%	8.4%	5.5%	▼ -290 bps	0.2%	5.8%	▲ 560 bps
Restaurant Additions	142	68	57		113	136	

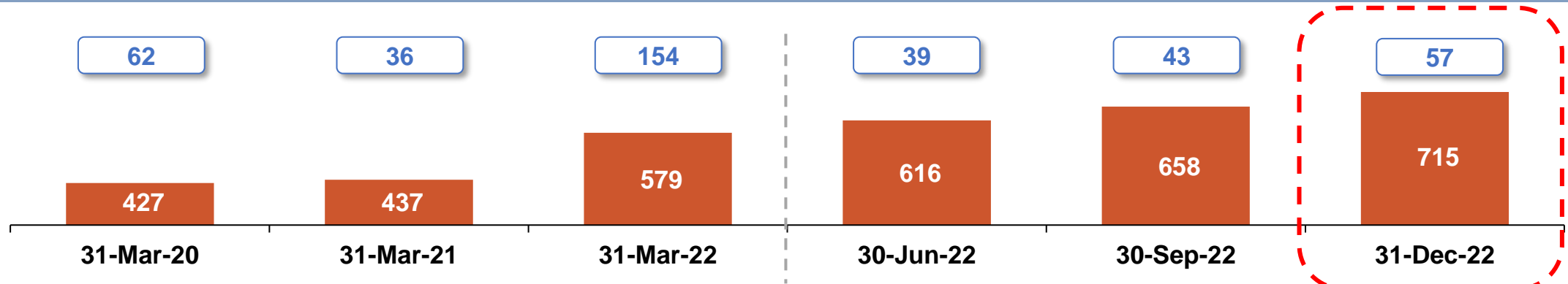
*Note: YoY comparison is with Normalized numbers for **Q3 & 9M FY22** (Normalized for additional incentive from Yum in FY22)
 PAT including additional incentives for Q3 FY22 is ₹510 Mn at 10.1% and 9M FY22 is ₹ 195 Mn at 1.6%

OPERATIONAL & FINANCIAL OVERVIEW



NUMBER OF RESTAURANTS

Gross Restaurant Additions

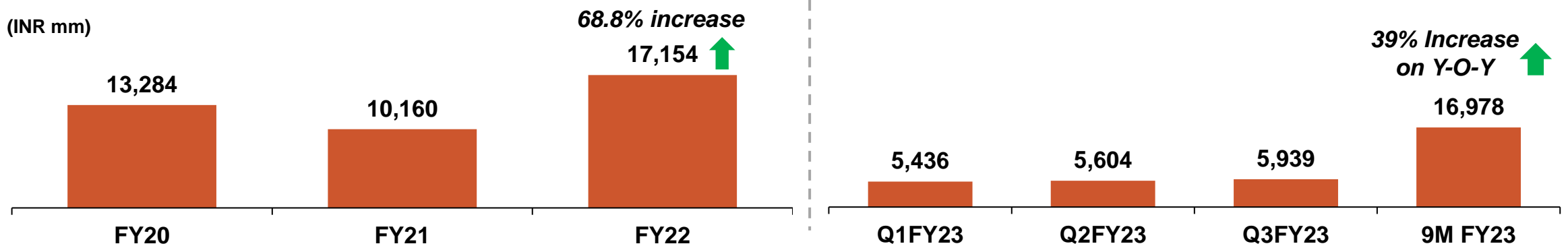


Restaurant Closures



RESTAURANT SALES

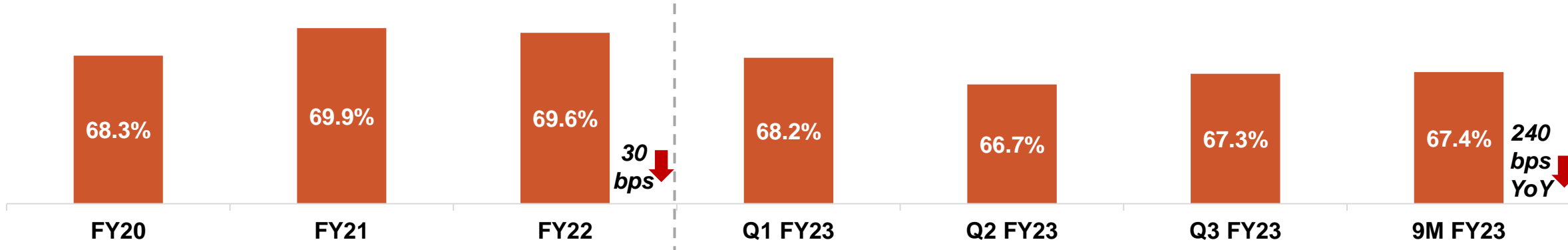
(INR mm)



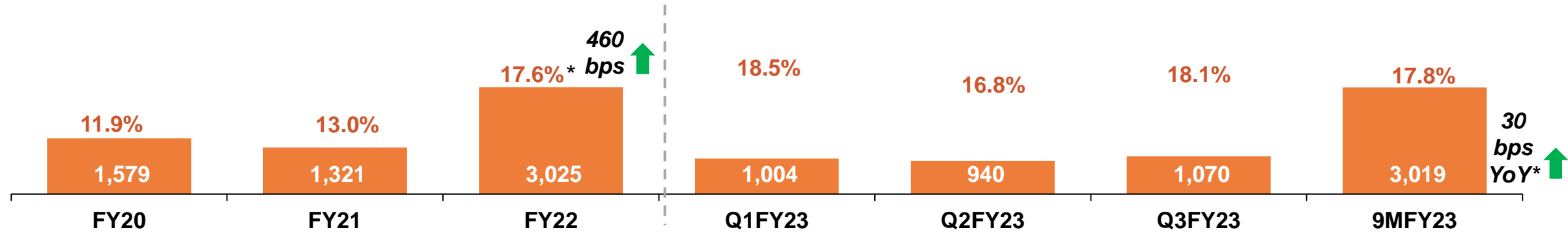
PROFITABILITY OVERVIEW



GROSS MARGIN %



RESTAURANT 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 9M FY23

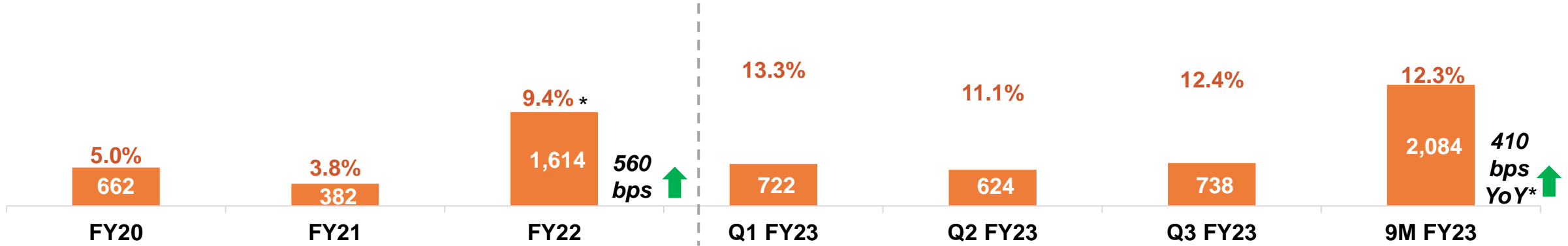
Restaurant EBITDA is before Ind-AS 116 adjustments

*Restaurant EBITDA % and ₹ Value is Normalized for additional incentives accrued in that period and YoY comparison is with Normalized numbers of 9M FY22

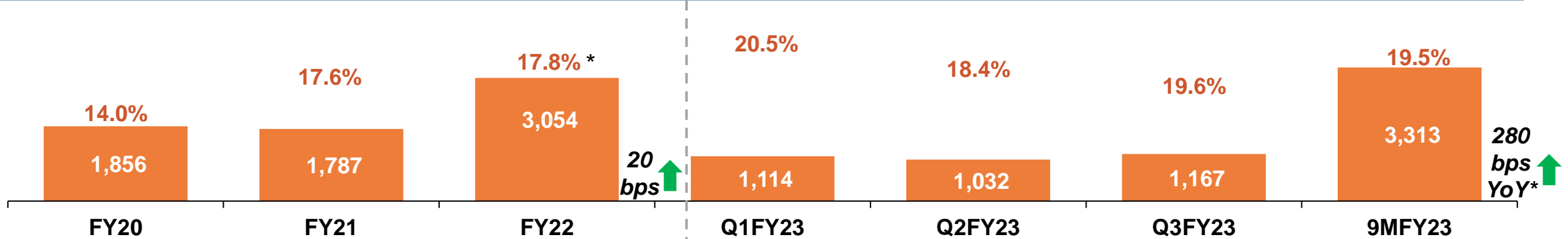
PROFITABILITY OVERVIEW



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 9MFY23

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 9M FY22



SEGMENTAL PERFORMANCE

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 DEC 31, 2022 / For 9M FY23
Total Restaurant Count	187	203	263	325
Average Daily Sales per Restaurant (INR'000s)	130	106	130	138
Restaurant Related Revenue (in INR mm)	7,753	5,897 24%	10,349 75%	10,838 47% YoY
Restaurant EBITDA (in %)	13.0%	14.0% 100 bps	18.7%* 470 bps*	19.5% 90 bps YoY*

Net restaurant additions of **24** in Q3 FY23 and **62** in 9M FY23

Source: Company data

*Restaurant EBITDA % is Normalized for additional incentives accrued in that period and YoY comparison is with Normalized numbers of 9M FY22

CORE COMPOSITION OF OUR BUSINESS: PIZZA HUT INDIA



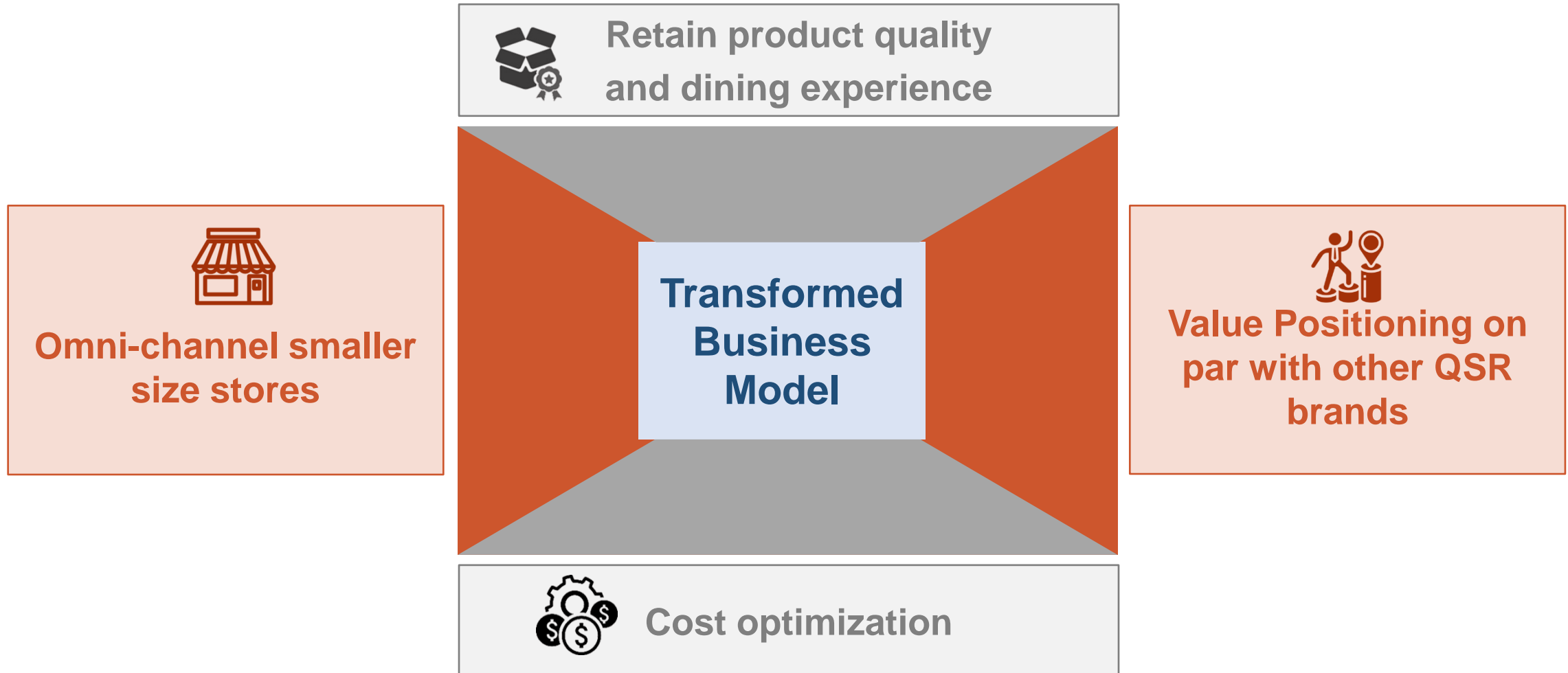
	AS OF MAR 31, 2020 / FOR FY20	AS OF MAR 31, 2021 / FOR FY21	AS OF MAR 31, 2022 / FOR FY22	AS OF DEC 31, 2022 / FOR 9M FY23
Total Restaurant Count	174	162	219	274
Average Daily Sales per Restaurant (INR'000s)	58	48	57	61
Restaurant Related Revenue (in INR mm)	3,344	2,218 34%	3,710 67%	3,993 49% YoY
Restaurant EBITDA (in %)	7.2%	5.0% 220 bps	11.4%* 640 bps	14.7% 320 bps* YoY

Net restaurant additions of **25** in Q3 FY23 and **55** in 9M FY23

Source: Company data

*Restaurant EBITDA % is Normalized for additional incentives accrued in that period and YoY comparison is with Normalized numbers of 9M FY22

CORE COMPOSITION OF OUR BUSINESS: PIZZA HUT INDIA



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 DEC 31, 2022 / FOR 9M FY23

	AS OF MAR 31, 2020 / FOR FY20	AS OF MAR 31, 2021 / FOR FY21	AS OF MAR 31, 2022 / FOR FY22	AS OF DEC 31, 2022 / FOR 9M FY23
Total Restaurant Count	64	70	95	114
Average Daily Sales per Restaurant (INR'000s)	92	94	108	74
Restaurant Related Revenue (in INR mm)	2,038	1,966 4%	2,983 52% (INR) 60% (LKR)	2,049 1% (INR) 65% (LKR) YoY
Restaurant EBITDA (in %)	16.2%	19.6% 340 bps	22.0%* 240 bps	15.0% 640 bps* YoY

Net restaurant additions of **8** in Q3 FY23 and **19** in 9M FY23

Source: Company data
*Restaurant EBITDA % is Normalized for additional incentives accrued in that period and YoY comparison is with Normalized numbers of 9M FY22

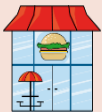


UNIT ECONOMICS



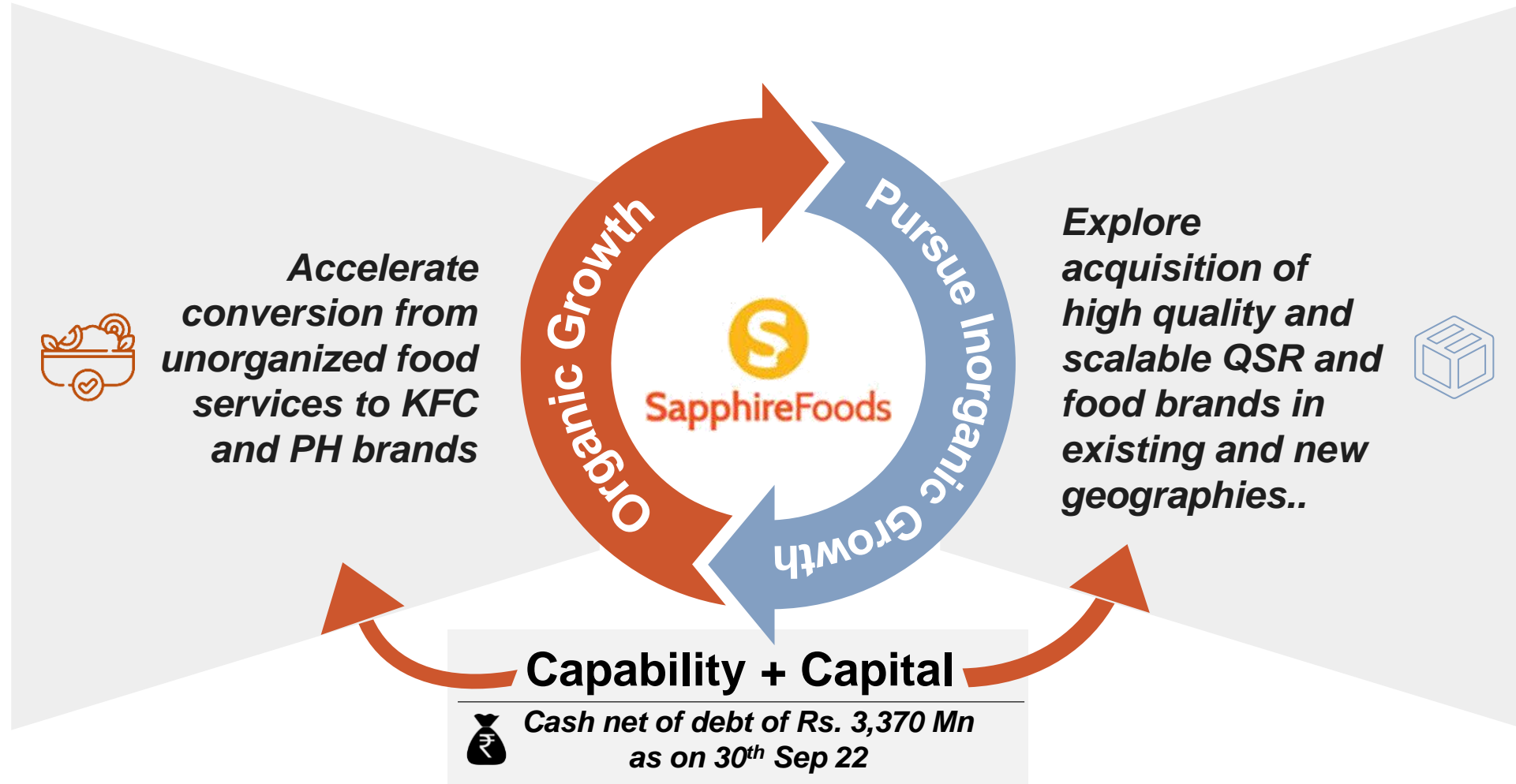
INDIA



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 Reduction in Avg Restaurant size ~45%
Average Daily Sales per Restaurant (in ₹ '000) 	<u>FY19</u> 125	<u>9M FY23</u> 138	<u>FY19</u> 61	<u>6M FY23</u> 61
Restaurant EBITDA % 	<u>FY19</u> 12.7%	<u>9M FY23</u> 19.5%	<u>FY19</u> 7.5%	<u>9M FY23</u> 14.7%

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



Amit Sharma
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



Paul Robine *
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



STATUTORY AUDIT



ESG



Source: Company data
* Mr. Norbert Fernandes is Alternate Director to Mr. Paul Robine

SHAREHOLDING PATTERN



Shareholding Pattern (As on 31 st Dec 2022)	% Holding
Promoters & Promoter Group	44.9
Foreign Company	6.4
Foreign Portfolio Investors / Non-Resident Indians	17.0
Domestic	31.7
Mutual Funds	18.2
Insurance Companies	4.7
Alternate Investment Funds	2.1
Resident Individuals	5.9
Others	0.8
Total	100.0



THANK YOU

Company:



Sapphire Foods India Limited

CIN: L55204MH2009PLC197005

Mr. Rahul Kapoor

Email ID: rahul.kapoor@sapphirefoods.in

www.sapphirefoods.in

Investor Relations Partner:



Orient Capital (a division of Link Group)

Mr. Nachiket Kale

Email ID: nachiket.kale@linkintime.co.in

+91 9920940808

www.orientcap.com