



Date: August 04, 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 FY24 Q1 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 – AUG'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⁾



₹ **6,526 MN** Q1 FY24 Restaurant Sales




18.8% [20.5%] Q1FY24 EBITDA margin
₹ **1,224 MN [1,114]** Q1FY24 EBITDA


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



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



360 KFC Restaurants ⁽²⁾
409 Pizza Hut Restaurants ⁽²⁾
9 Taco Bell Restaurants ⁽²⁾



Omni Channel Mix ⁽³⁾

Delivery 39% Dine-in 41%
Take-away 20%

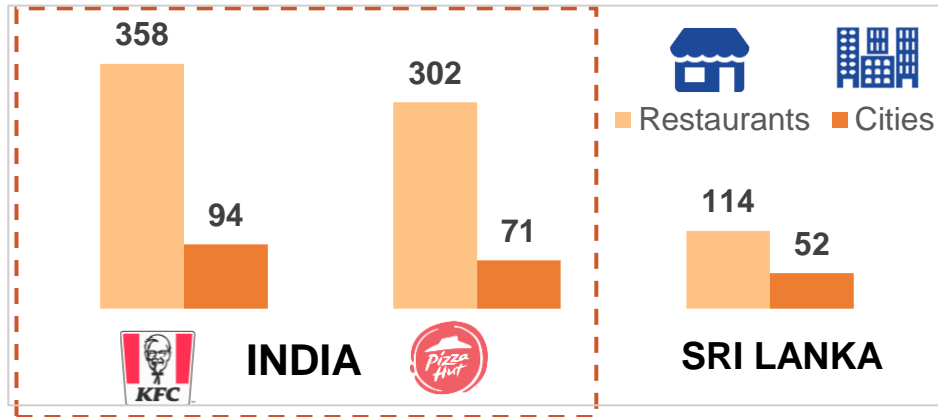
Source: Company data, Technopak industry report

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

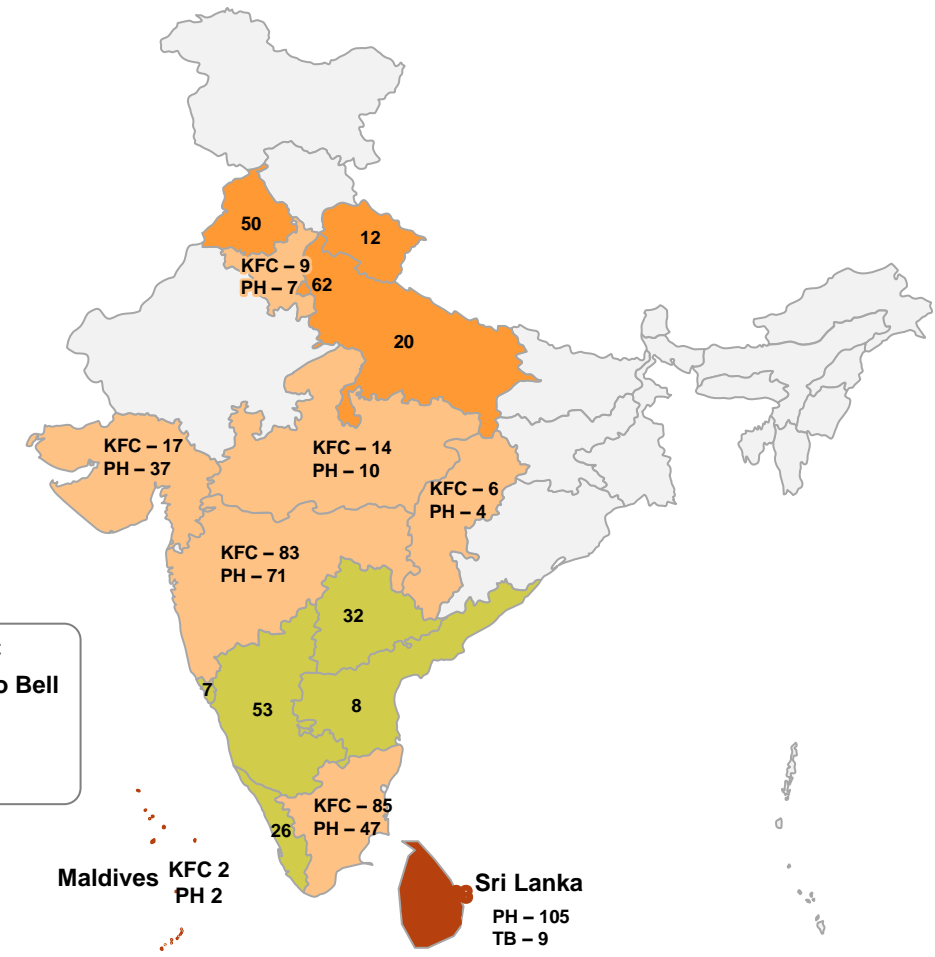
(1) In terms of Restaurant Sales for FY21 and number of restaurants operated as of March 31, 2021; (2) As of June 30, 2023; (3) Pertains to Q1 FY24

JOURNEY OF SAPPHIRE FOODS

BUILT A PLATFORM OF 778 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 328 restaurants of both KFC and Pizza Hut are operated

Source: Company data, Technopak Industry Report
 (1) As of Jun 30, 2023. Includes 4 restaurants in Maldives (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

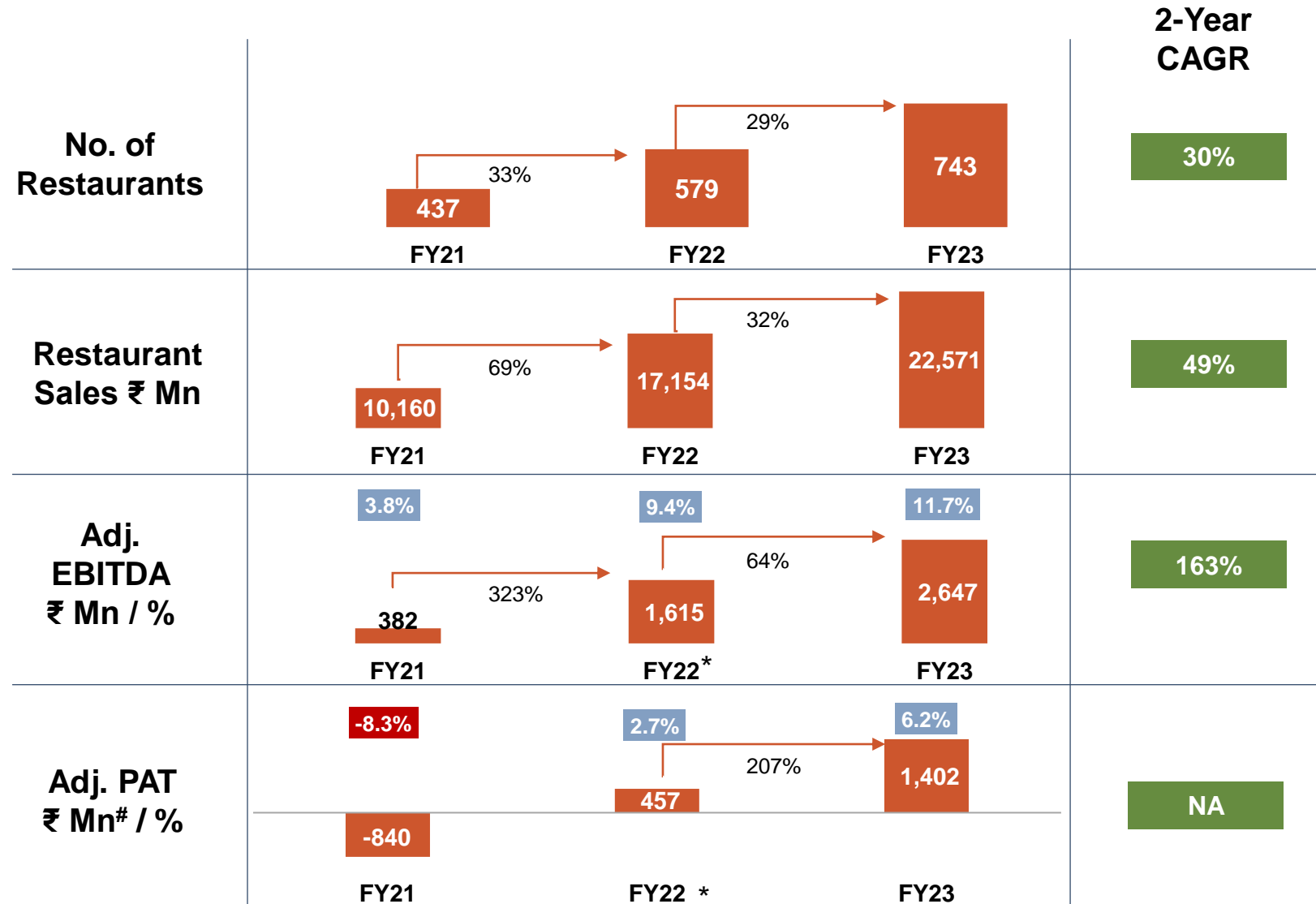


**Optimal capital allocation
drives new restaurant
expansion model** - focus on
smaller sized **omni-channel
restaurants**



FINANCIAL OVERVIEW

SAPPHIRE FOODS: JOURNEY POST LISTING



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

Q1 FY24



Particulars	FY23	Q1 FY23	Q1 FY24	Change YoY
Restaurant Sales ₹ mn	22,571	5,436	6,526	▲ 20%
Adj. EBITDA ₹ mn	2,647	722	772	▲ 7%
%	11.7%	13.3%	11.8%	▼ -150 bps
EBITDA ₹ mn	4,343	1,114	1,224	▲ 10%
%	19.2%	20.5%	18.8%	▼ -170 bps
PBT ₹ mn	1,084	356	336	▼ -6%
%	4.8%	6.6%	5.2%	▼ -140 bps
PAT ₹ mn #	2,332	381	249	▼ -35%
%	10.3%	7.0%	3.8%	▼ -320 bps
Restaurant Additions	164	37	35	

Note: YoY Q1 PAT is not comparable because there was no tax expense for SFIL in Q1 FY23. In Q1 FY24 there is deferred tax expense without any cash outflow.

FY23 annual PAT includes Deferred Tax Credit (DTC) of ₹1253 mn towards carried forward losses and deductible temporary differences in SFIL. FY23 annual Adj. PAT before DTC is ₹1402 mn (6.2%).

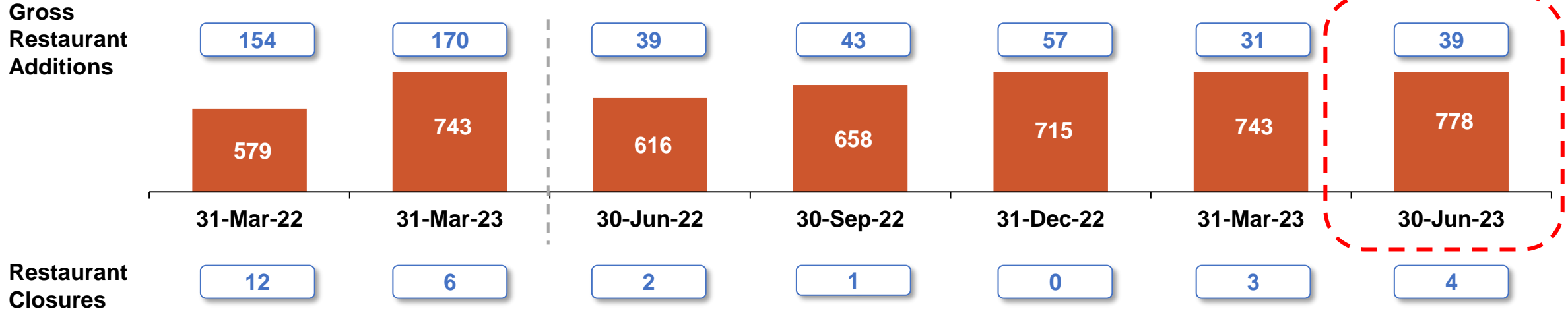
Adj. PAT for Q1 FY24 is ₹310 mn (4.8%).

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

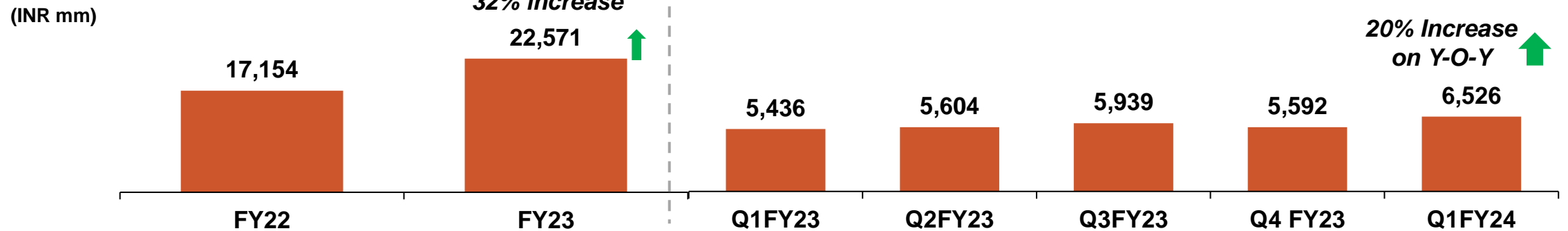
OPERATIONAL & FINANCIAL OVERVIEW



NUMBER OF RESTAURANTS



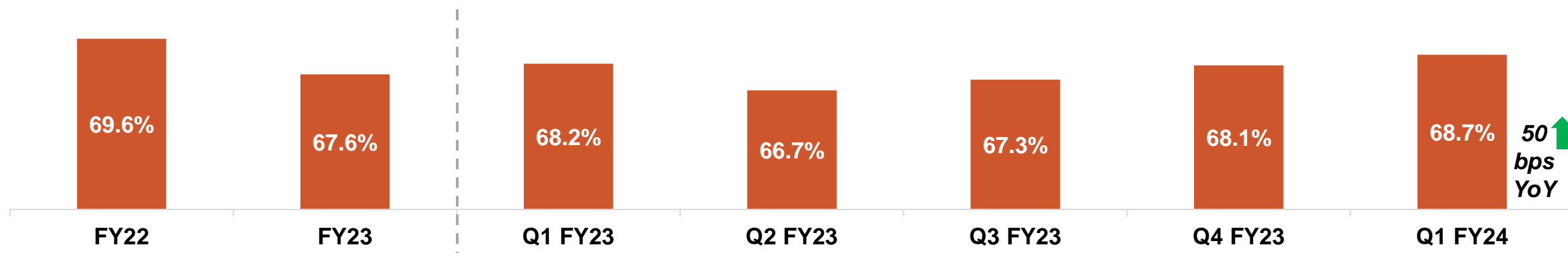
RESTAURANT SALES



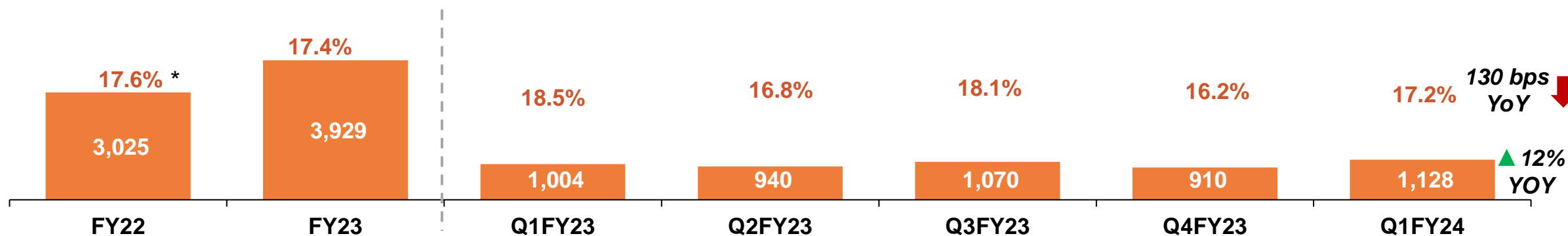
PROFITABILITY OVERVIEW



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 FY23

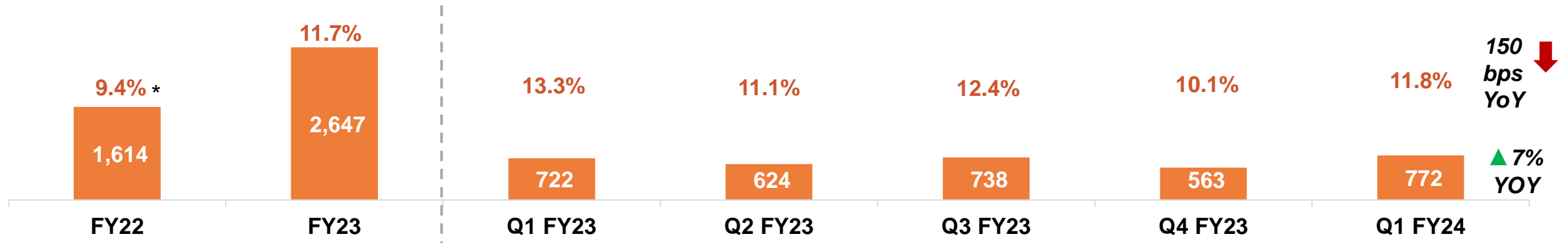
Restaurant EBITDA is before Ind-AS 116 adjustments

*Restaurant EBITDA % and ₹ Value is Normalized for additional incentives accrued in that period

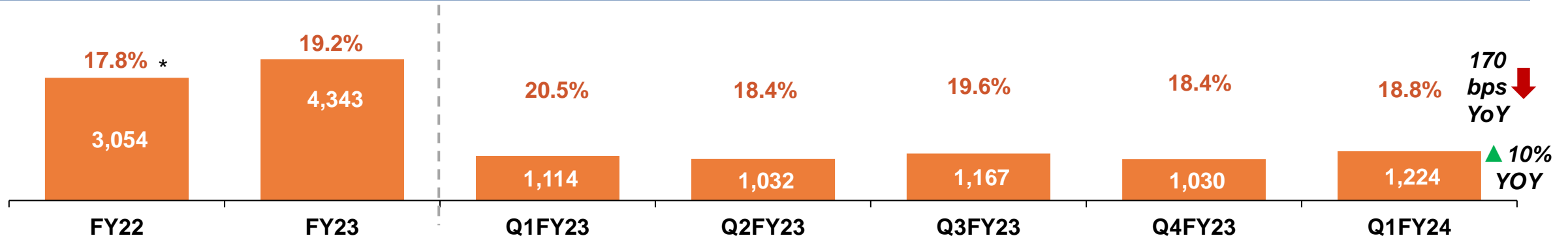
PROFITABILITY OVERVIEW



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, Chicken Rolls



Value

- Entry value innovation: Chicken Rolls
- Abundant Value: Bucket Options
- Range of snackers at ₹99/-



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, 2021 / FOR FY21	AS OF MAR 31, 2022 / FOR FY22	AS OF MAR 31, 2023 / FOR FY23	AS OF JUN 30, 2023 / FOR Q1FY24
Total Restaurant Count	203	263	341	358
Average Daily Sales per Restaurant (INR'000s)	106	130	135	138
Restaurant Related Revenue (in INR mm)	5,897 24%	10,349 75%	14,529 40%	4,286 21% YoY
Restaurant EBITDA (in %)	14.0% 100 bps	18.7%* 470 bps*	19.4% 70 bps	20.8% 50 bps YoY

Net restaurant additions of 17 in Q1 FY24.

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, 2021 /FOR FY21	AS OF MAR 31, 2022 / FOR FY22	AS OF MAR 31, 2023 / For FY23	AS OF JUN 30, 2023 / FOR Q1FY24
Total Restaurant Count	162	219	286	302
Average Daily Sales per Restaurant (INR'000s)	48	57	58	52
Restaurant Related Revenue (in INR mm)	2218 34%	3,710 67%	5,214 41%	1,362 12% YoY
Restaurant EBITDA (in %)	5.0% 220 bps	11.4% 640 bps*	13.3% 190 bps	9.0% 580 bps YoY

Net restaurant additions of **16** in Q1 FY24.

CORE COMPOSITION OF OUR BUSINESS: SRI LANKA OPERATIONS



AS OF MAR 31, 2021
/ FOR FY21

AS OF MAR 31, 2022
/ FOR FY22

AS OF MAR 31, 2023
/ FOR FY23

AS OF JUN 30, 2023
/ FOR Q1 FY24

 Total Restaurant Count

70

95

114

114


 Average Daily Sales per
Restaurant (INR'000s)

94

108

72

81

 Restaurant Related
Revenue (in INR mm)

1,966

↓ 4%

2,983


↑ 52% (INR)
60% (LKR)

2,716

↓ 9% (INR)
↑ 48% (LKR)

825

↑ YoY
27% INR
9% (LKR)

 Restaurant EBITDA (in %)

19.6%

↑ 340
bps

22.0%

↑ 240
bps*

14.8%

↓ 720 bps

13.0%

↓ YoY
250 bps

Net restaurant additions of 0 in Q1 FY24

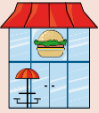




UNIT ECONOMICS



INDIA

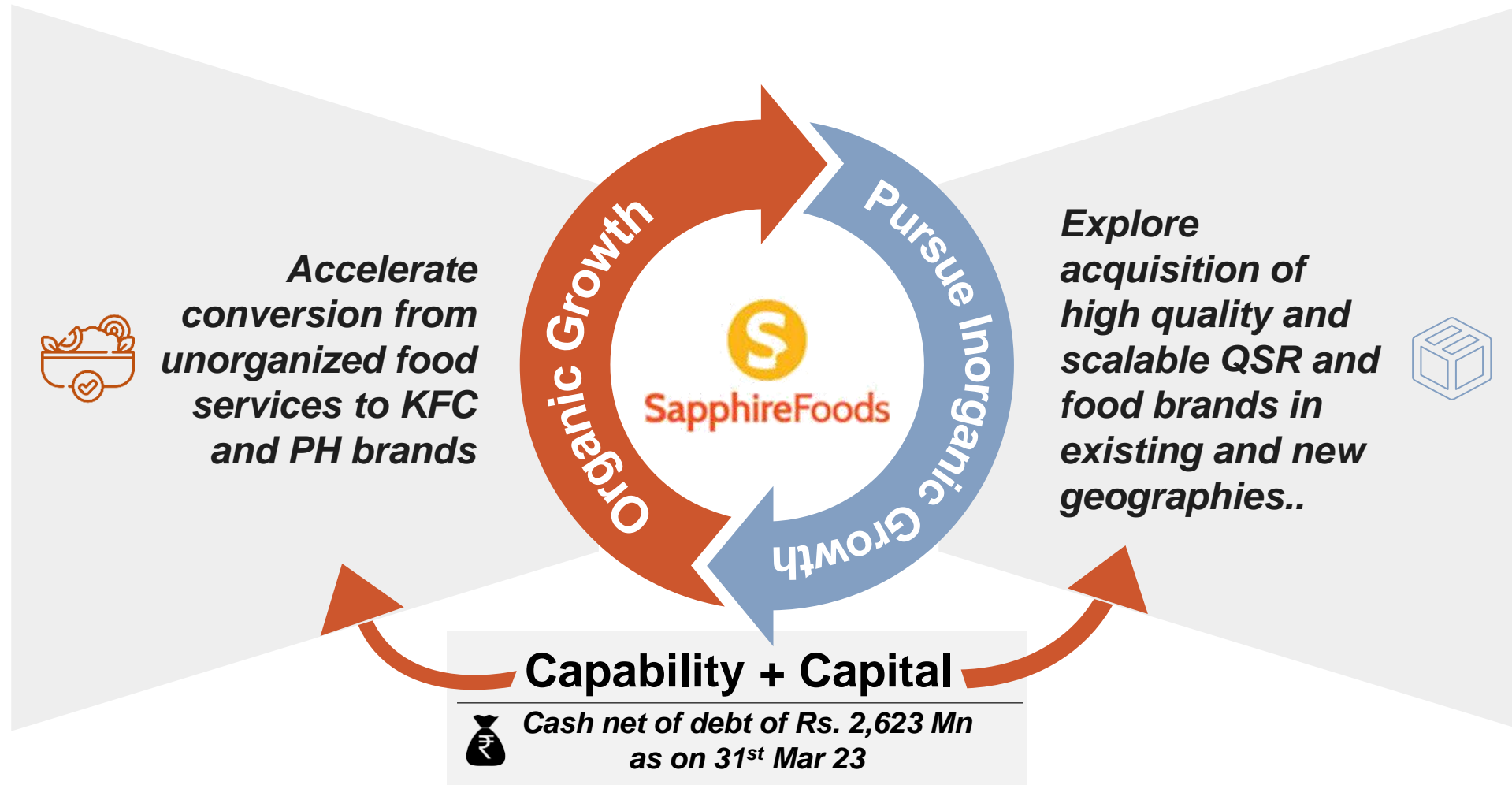


INDIA

	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	 Reduction in Avg Restaurant size ~45%
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 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



Deepak Taluja
CEO – KFC



Vikrant Vohra
CEO – Pizza Hut



Vijay Jain
CFO



Nandita Bapat
Head - Projects



Amar Patel
Chief Tech Officer



Ashu Khanna
Head Supply Chain



Niraj Patil
Head Legal and Liaison



Puneet Bhatia
Head Business Development

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



Deepa Wadhwa
Independent
Director



Vinod Nambiar
Non-Executive
Nominee Director



Vikram Agarwal
Non-Executive
Nominee Director



Annu Aggarwal
Independent
Director



Nobeert Fernandes
Non-Executive
Nominee Director



Kabir Thakur
Non-Executive
Nominee Director

INTERNAL AUDIT



STATUTORY AUDIT



ESG



SHAREHOLDING PATTERN



Shareholding Pattern (As on 30 th Jun 2023)	% Holding
Promoters & Promoter Group	44.9
Foreign Portfolio Investors / Non-Resident Indians	19.2
Domestic	34.9
Mutual Funds	22.6
Insurance Companies	5.1
Alternate Investment Funds	1.9
Resident Individuals	5.3
Others	1.0
Total	100.0



THANK YOU

Company:



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