



BARBEQUE NATION HOSPITALITY LTD.

AGM
Presentation
August 2021



Safe Harbor Statement

This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Barbeque-Nation Hospitality Ltd (“Barbeque Nation” or the Company) future business developments and economic performance.

All the number are on consolidated basis and without adjustment for the minority interest of 38.65% in Red Apple Kitchen, unless otherwise mentioned.

While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Barbeque Nation undertakes no obligation to publicly revise any forward-looking statements to reflect future / likely events or circumstances.

Industry data has been referenced from various reports and publications. Barbeque Nation undertakes no obligation on the accuracy of such information.

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INDUSTRY OUTLOOK

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COMPANY OVERVIEW

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FY 21- YEAR OF LEARNING, RESILIENCE AND STRENGTH

4

STRATEGY FOR TRANSFORMATION



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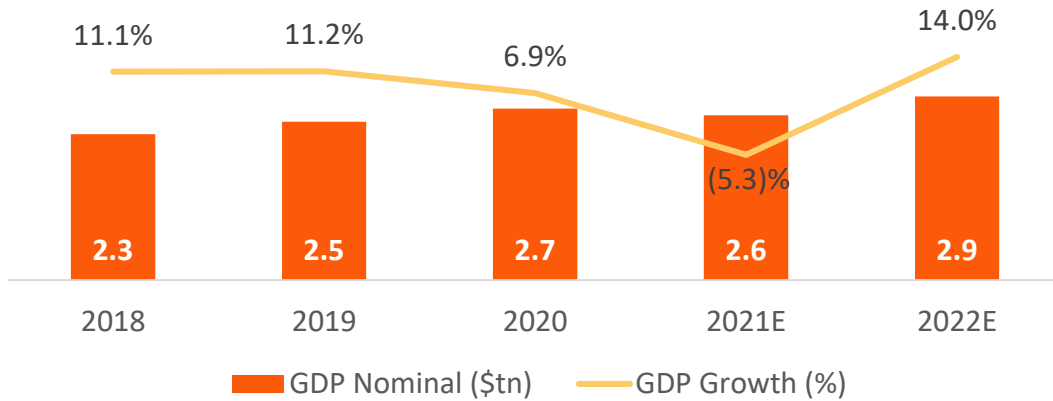
STRATEGY FOR TRANSFORMATION



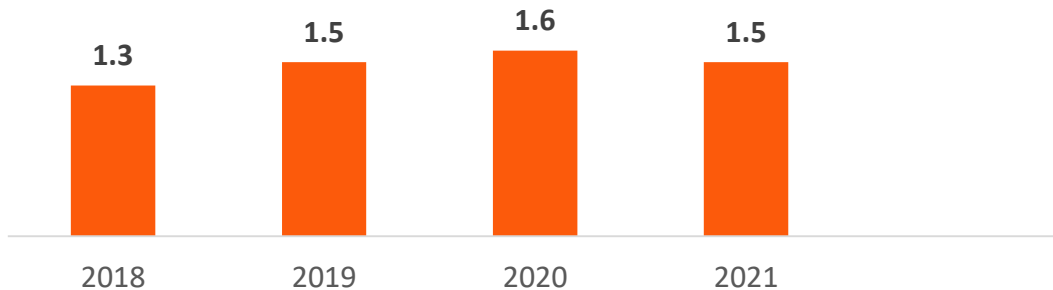
Strong economic growth for India

Strong GDP growth forecast for India coupled with rising consumption expenditure to benefit Indian food services sector

India GDP Growth



Household Final Consumption Exp, (\$tn)



6th Largest Country by nominal GDP¹

3rd Largest by GDP on PPP basis¹

~59% Domestic consumption share in India's GDP²

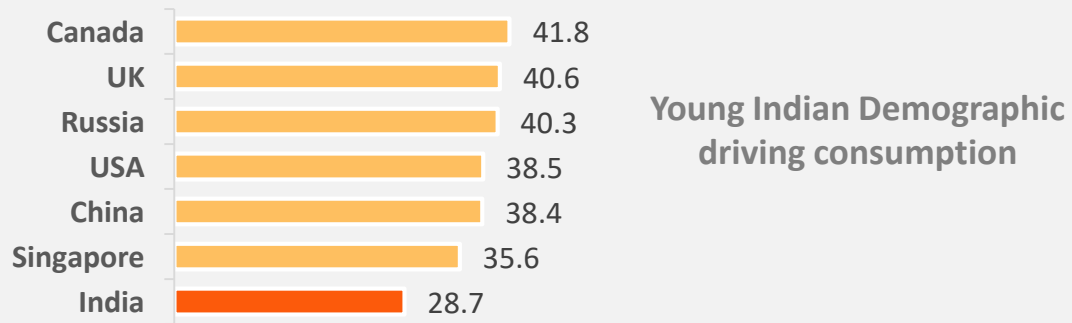
Source: Barbeque Nation Prospectus; RBI Data, Economic Survey, World Bank, EIU, IMF | 1. For CY 2019; 2. For FY 2019



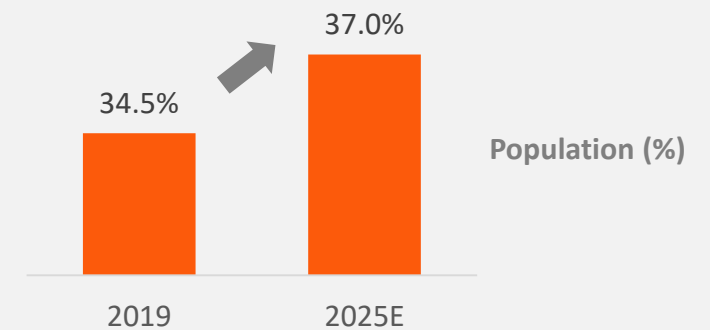
Growing consumption pattern in India

Changing dynamics of Indian economy provides significant opportunity for growth in under penetrated sectors such as F&B

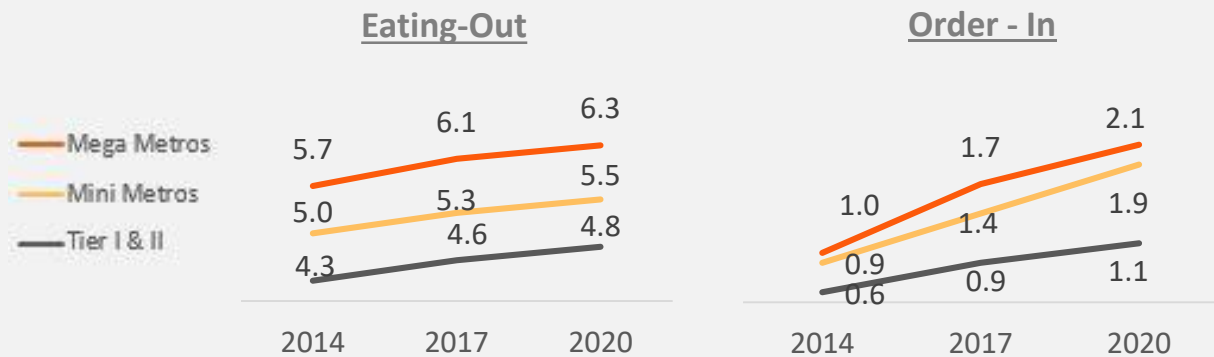
Young Population (median age)¹



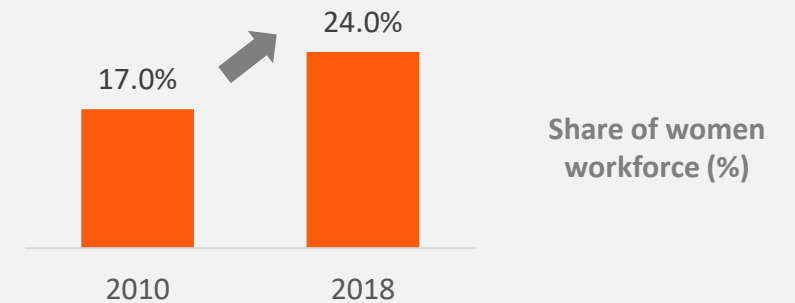
Growing Urbanization



Increasing Eating Out Frequency



Increasing Women Workforce



Source: Barbeque Nation Prospectus, World Bank, Technopak
 Note: Eating out frequency data is times per month basis; 1) 2020 estimated



Chained CDR & QSR segment growing at ~20%

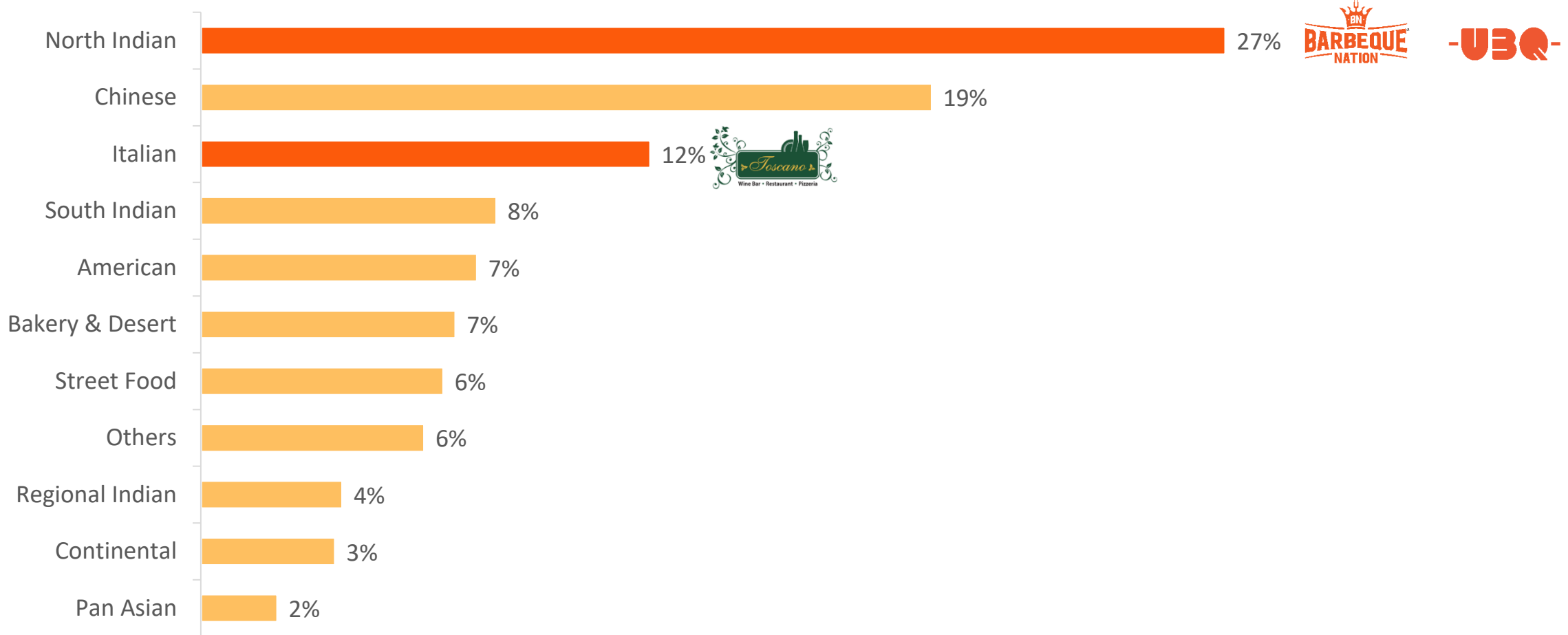
	2015	CAGR	2020	CAGR	2025
Food Services Market (Rs. Bn.)	2865	8%	4236	9%	6506
Organized Market(Rs. Bn.)	915	13%	1717	15%	3431
Chained CDR +QSR (Rs. Bn.)	134	19%	322	21%	826
Barbeque Nation (Rs. Bn.)	3.0	23%	8.5		

Barbeque Nation grew at a CAGR of 23%

Source: Barbeque Nation Prospectus , Technopak Report.
Data pertains to financial year



Top 3 cuisines account for 58% of the food services market



Company's product portfolio presence across 39% of the food services market

Source: Barbeque Nation Prospectus Technopak Report. Data for FY 2019



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STRATEGY FOR TRANSFORMATION



Leading food services company with strong dine-in & delivery vertical



Dine-in offering

Destination brand for **CELEBRATIONS**



VALUE- Fixed price 'all you can eat' offering a wide variety



SERVICE- Strong guest focus & prompt service



EXPERIENCE- Live grills enhancing guest experience & engagement



Delivery offering



PRODUCT INNOVATION
Barbeque-in-a-Box



A-LA-CARTE
UBQ



BBQN App



Food delivery aggregators

Delivery through **BBQN App/ website** and on **leading food delivery aggregators**



Toscano

Italian Cuisine- Dine-in & Delivery



ASPIRATION



EXPERIENCE

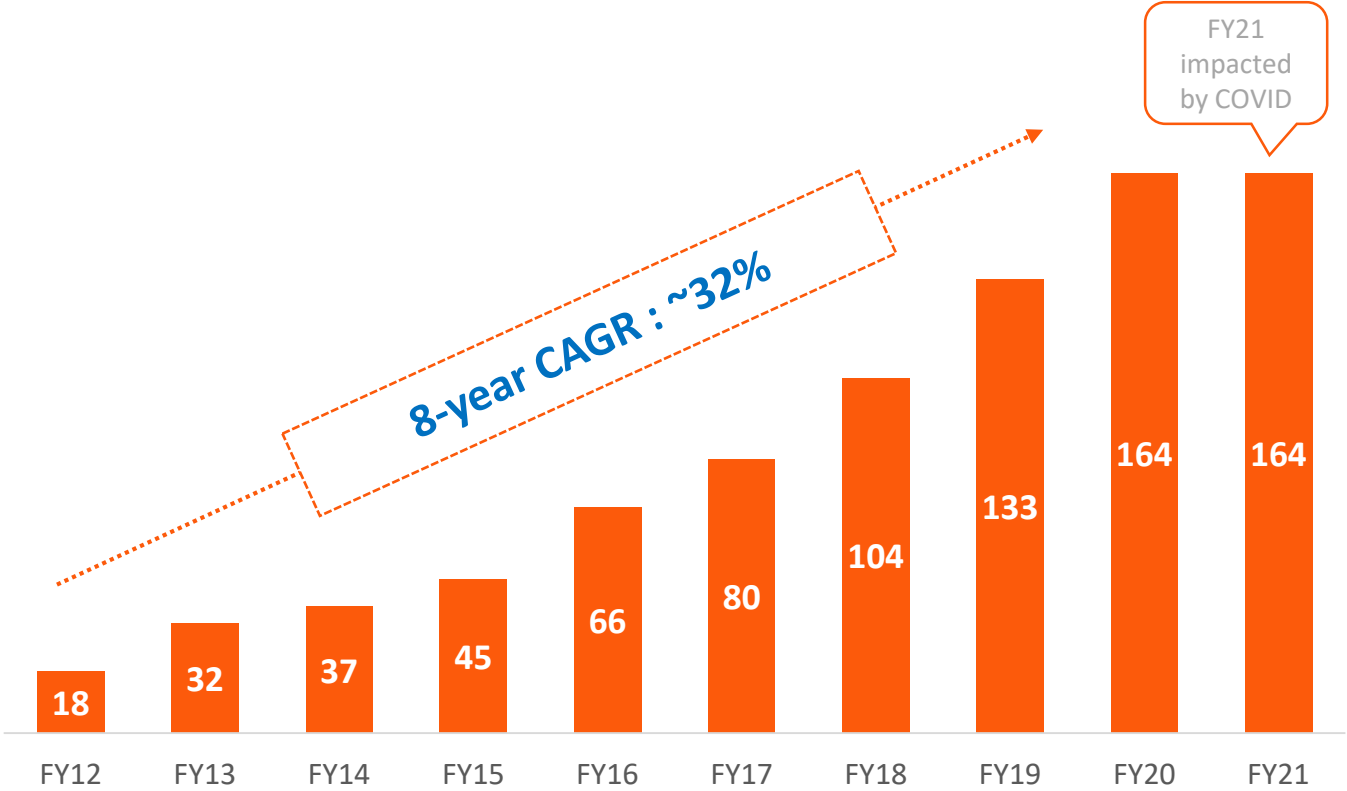


VALUE

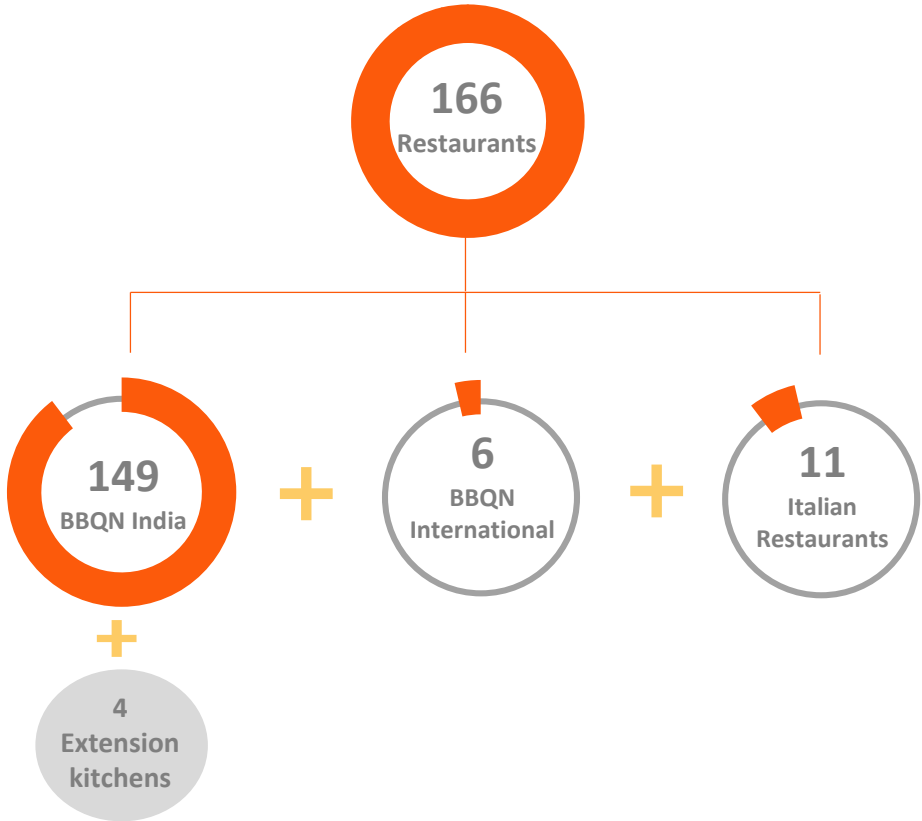
Restaurant network has grown at CAGR of ~32%

The restaurant network has grown at CAGR of ~32% from FY12 to FY20

Expansion of Restaurants¹



Restaurant Composition²



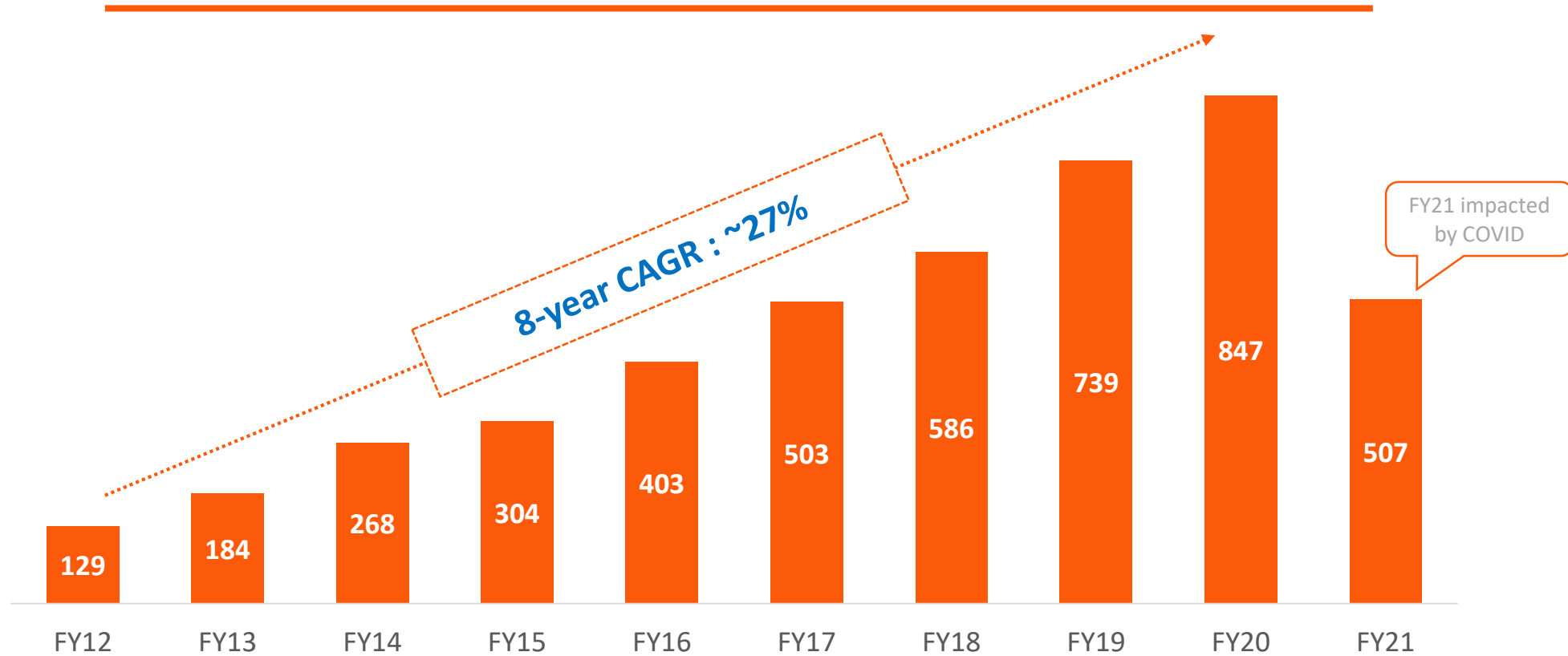
1) Toscano data was included post acquisition in FY20
 2) Restaurant network as on 30th June 2021



Revenue has grown at CAGR of ~27%

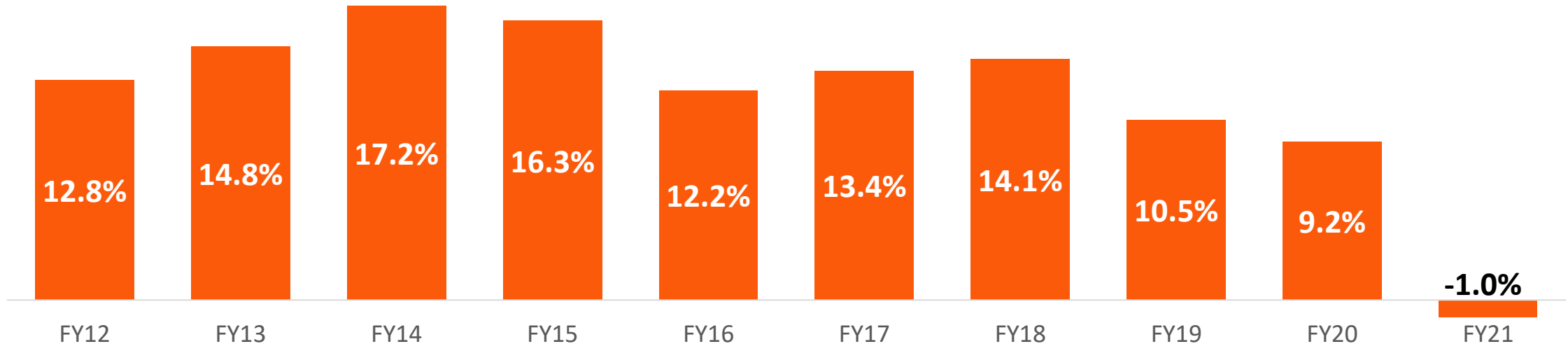
The revenue from operations grew at a CAGR of ~27% from FY12 to FY20.

Total Revenue from Operations (In INR cr)



Strong EBITDA Margins (%)

Consolidated EBITDA Margins



Standalone Margins

Fiscal Year	Standalone Margin (%)	Notes
FY12	12.8%	
FY13	14.8%	
FY14	17.2%	
FY15	16.9%	
FY16	13.4%	Impacted due to 47% increase in network
FY17	14.6%	Consolidated margin impacted by: - International business - Losses from discontinued business
FY18	15.8%	
FY19	14.4%	
FY20	10.3%	Impacted by COVID International business now stabilized and is profitable
FY21	-0.7%	

The above EBITDA Margin figures are excluding the impact of INDAS 116. All margins are calculated as % of Revenue from operations.



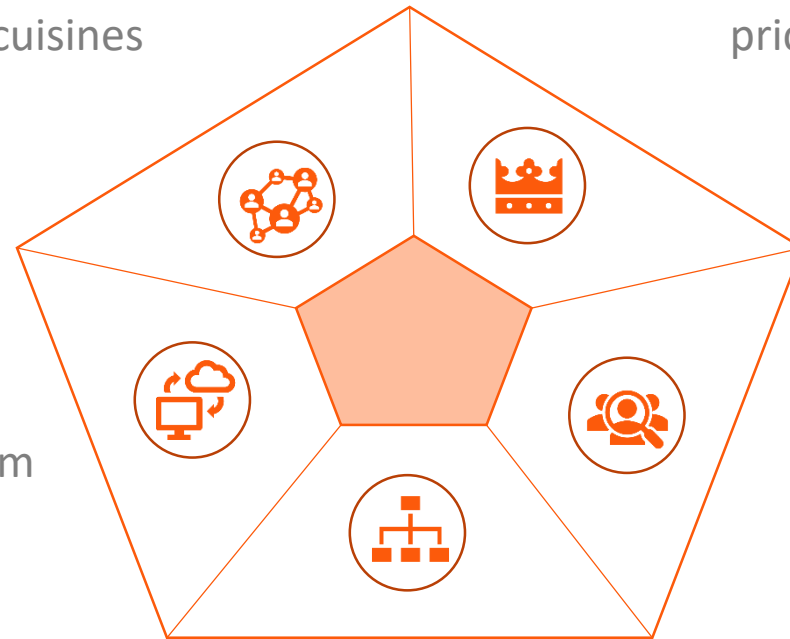
Competitive Advantage

SCALIBILITY

- Headroom for growth in dine-in and delivery across cuisines

VALUE TO CUSTOMERS

- Unlimited offering at attractive price



DIGITAL CAPABILITY

- Robust in-house BI system
- Multi-functional App

CUSTOMERS & EMPLOYEE FOCUSED CULTURE

- Customer feedback mechanism
- Employee focused culture

STRONG BACKEND

- Defined store opening process
- Streamlined supply chain

People Centric- Awards



Ranked 10th in
Best Companies To Work For in India
2021

Ranked 14th in **Best Large Workplaces in Asia 2020**



Voted amongst the top ten employers in F&B space by **Great Place to Work**



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STRATEGY FOR TRANSFORMATION



Managing COVID

Efficiently maneuvered through challenging times

Pre-COVID

During-COVID

Current Status

Network of 164 restaurants

Lockdown restrictions

No net change in overall network in FY21

Dine-in focussed business

Strengthened delivery segment

~3x increase in delivery revenue in FY21

Strong operating margins

Cost optimization measures

Strong operating margins in Q4 FY21
Marginal operating loss in FY21

Average addition of ~25 stores/year
over last 3 years

Focus on business stabilisation

Restarted growth with target of 20
stores in FY22

Leveraged balance sheet- Increased debt
due to acquisitions and investments

Proactive in raising equity capital

Strong balance sheet & net cash positive

People Centric-Covid Care



100% vaccinated



All Barbeque Nation restaurant teams are 100% vaccinated with atleast one dose



Ready to welcome you

#NoCompromiseDining



COVID awareness activities



Corona task force/volunteers



Counselling and health support to employees & dependent families



Immediate financial assistance

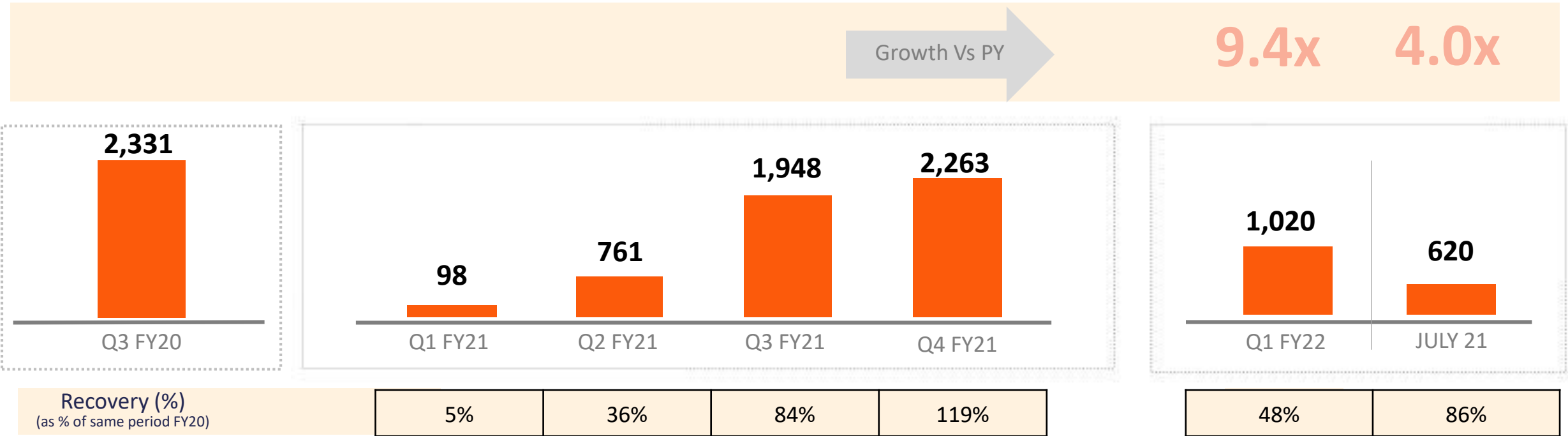


Doctor on call



Recovery through learning and resilience

Consolidated Revenue from Operations (₹ million)

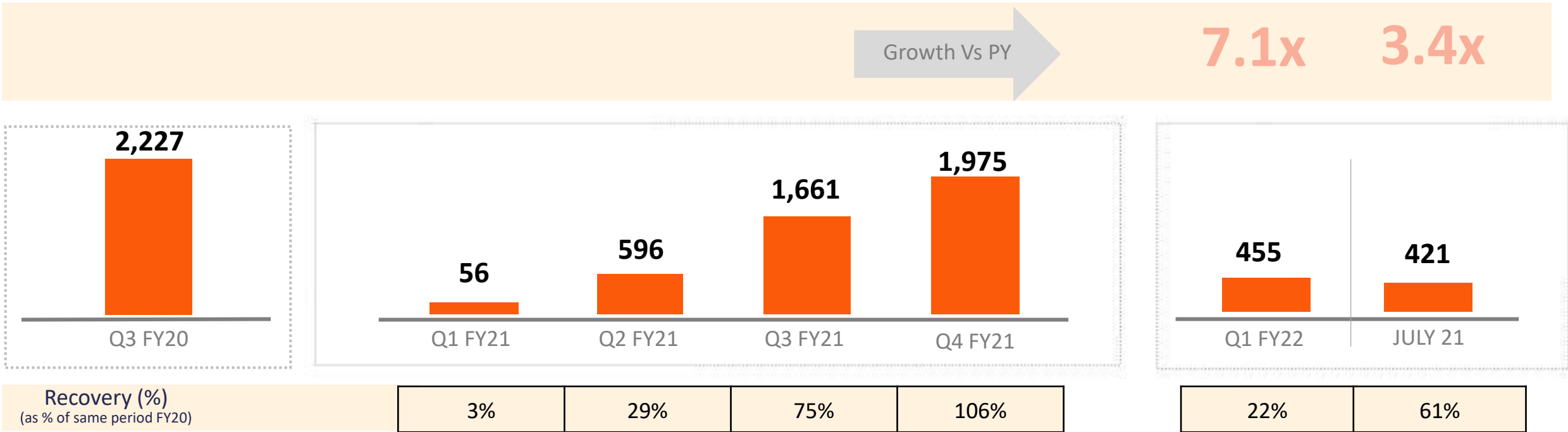


Recovery on the back of easing restrictions and strong delivery growth
Stronger recovery post the 2nd wave driven by structural changes

Q3 FY20- Last full quarter of non- COVID impact

Dine-in: Stronger recovery post second wave

Dine –in Sales (₹ million)

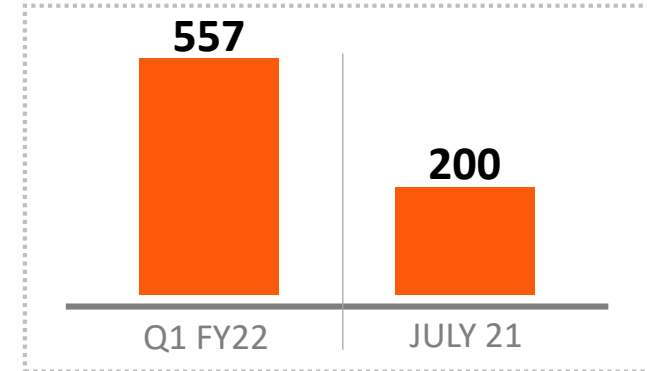
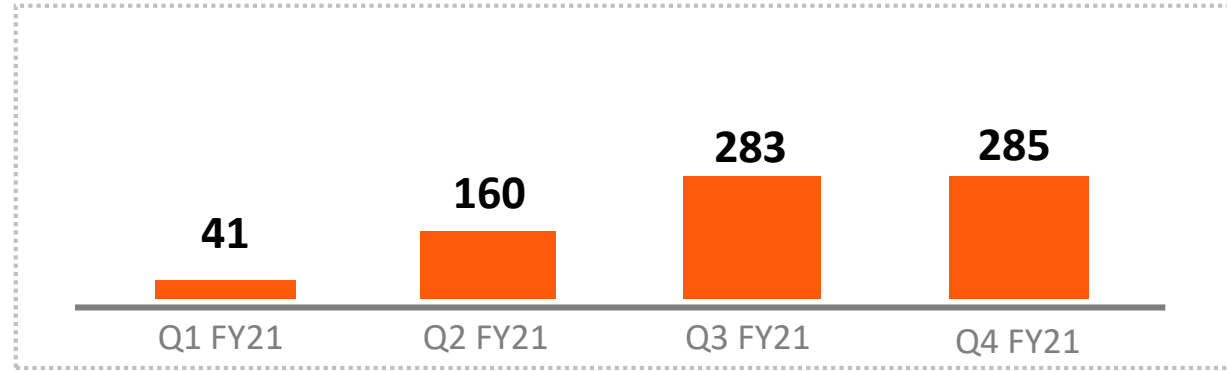
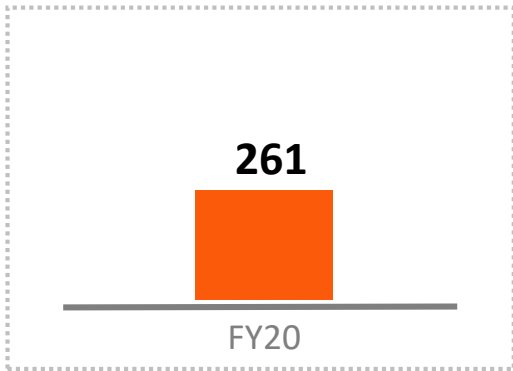


Strong recovery in dine-in business with easing of restrictions and gradual reopening

Q3 FY20- Last full quarter of non- COVID impact

Scaling up the Delivery segment to drive incremental growth

Delivery Sales (₹ million)



Recovery (%)⁽¹⁾

87%	213%	321%	571%
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1351%	654%
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Significantly scaled up delivery segment

1) Sales Recovery % is calculated against the previous year same period and not FY20 as delivery scaled up during FY21

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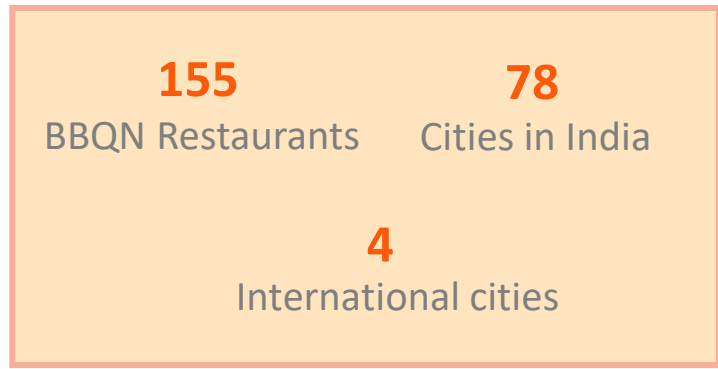
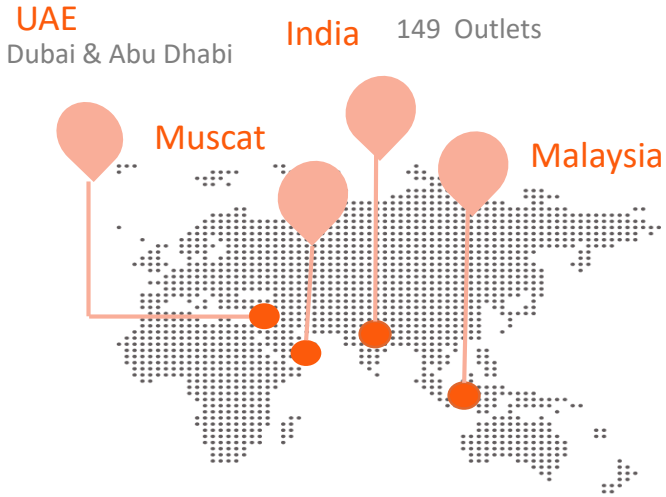
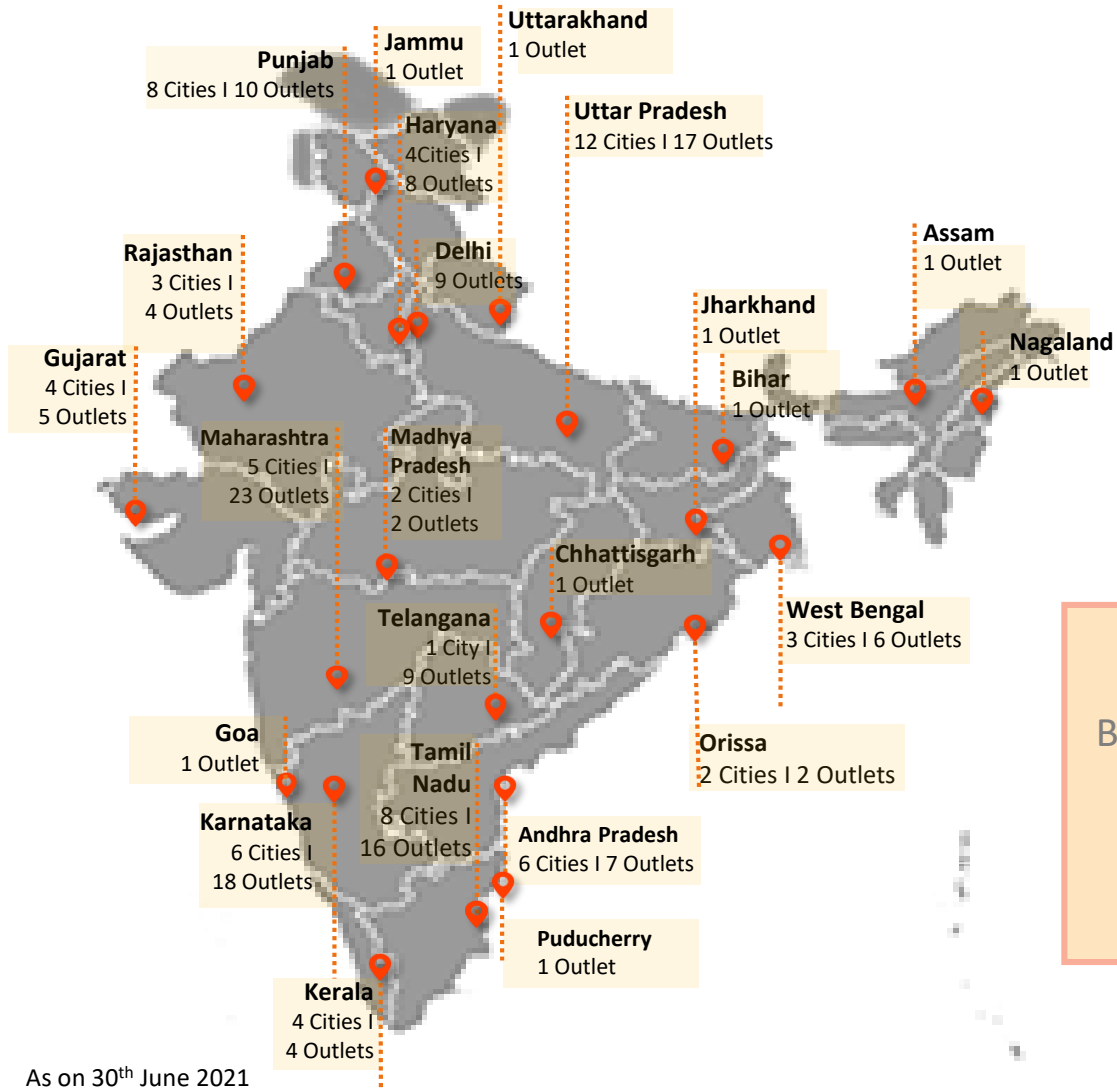
STRATEGY FOR TRANSFORMATION



Strategy- Leading Food Services Company



Expand the core – Restaurant Network



- Network grown ~9x from FY12 to FY20
- Focus on business stability in FY21
- Restarted expansion from FY22

As on 30th June 2021



Build Delivery – Increase Reach



Address Home consumption market



170+ Delivery Kitchens; 80+ Cities



Grow Extension Kitchens



Drive traffic through digital assets (App and Web)



Leverage Smiles Loyalty Program



Mix of own delivery fleet and food aggregators fleet



Tie up with 3rd Party Aggregators



Build Delivery – Product Innovation BIB

We maintain 100% hygiene

-U3Q-
YOU & BARBEQUE

BINGE ON SCRUMPTIOUS MEAL

BARBEQUE IN A BOX

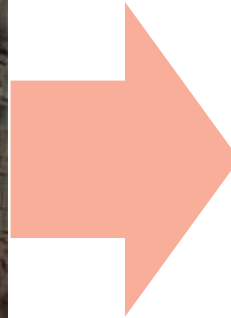
6 Appetizers | 2 Curries | 1 Dal | 3 Desserts | Breads & Biryani | Accompanied by Salan, Dips & Salad

Now order through our APP!
Also earn **5% SMILES** on all orders.

Available on

BARBEQUE NATION **-U3Q-**

Wine Bar • Restaurant • Pizzeria



Value

Experience

Variety

Launched Sub-categories

- Grills in a Box
- Meals in a Box
- Overload Box
- Biryani & Kebab box

Grow Portfolio - Toscano



Aspiration



Experience



Value

Leveraging Barbeque Nation capabilities to accelerate growth opportunities

1

EXPAND RESTAURANT NETWORK

2

GROW DELIVERY

3

COST SYNERGIES

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CROSS FUNCTIONAL CAPABILITIES



Building Digital Ecosystem – Leveraging technology to drive growth

In-house BI Tool

- Integrated business intelligence tool
- Facilitates store level data tracking

Enterprise Planning

- Well established ERP System

People Management

- Integrated cloud based human resource management solution

Digital Enablers

BBQ APP & Web

- Drives customer engagement
- Reservations & online ordering
- Customer Loyalty program
- Promotions & Payments

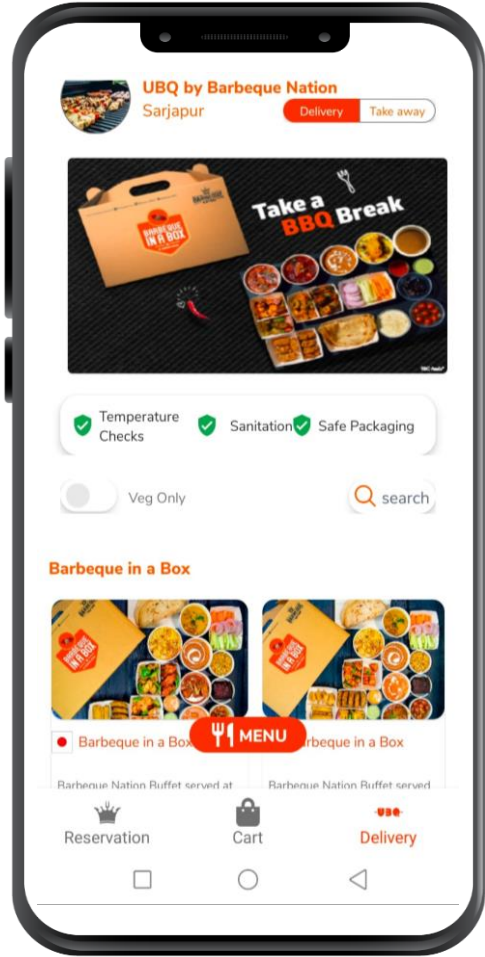
Centralized Reservation

- Facilitate, control and maintain reservations for all restaurants
- Cloud based system interconnected with all booking systems

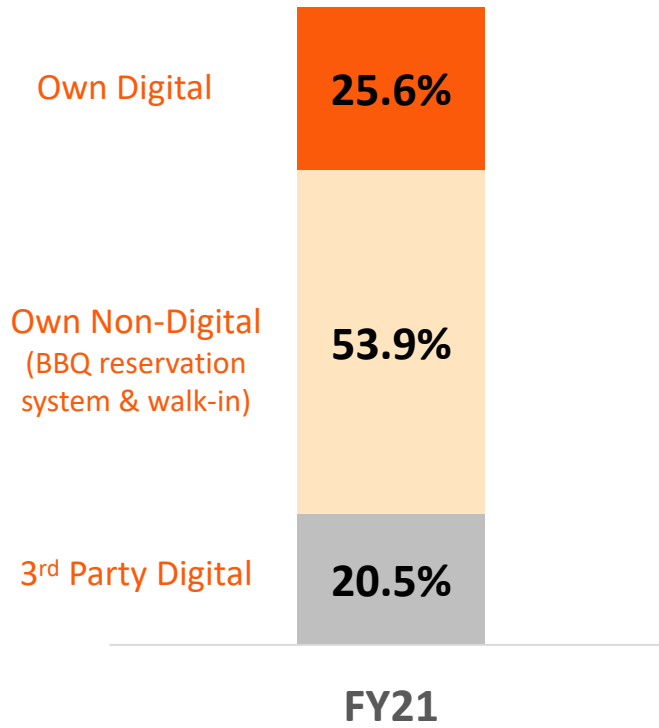
Customer Feedback

- In-house Guest Satisfaction Index
- 360 degree customer feedback to monitor restaurant wise performance

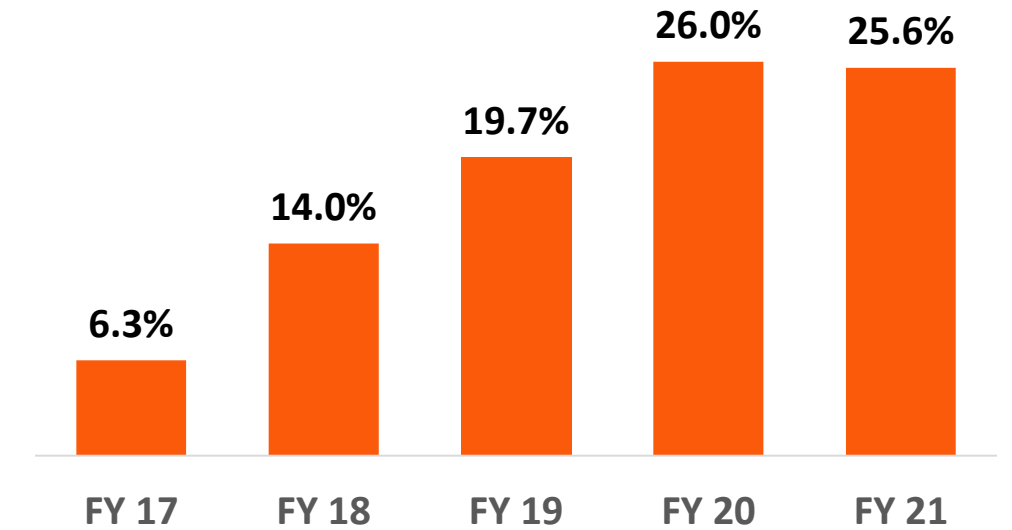
Building Digital Ecosystem - Own digital platform



Channel wise Contribution



Own Digital Assets Contribution¹ (%)



Increased share of revenue generated from own digital assets

1) Own Digital Assets Contribution is calculated as revenue generated through Barbeque nation app and web bookings. Represents data for BBQ India only

FY22 Outlook

Current Status



Ensure safety of guests and employees

100% Vaccination⁽¹⁾ across all outlets



Implement cost optimization measures to minimize Covid impact

33%⁽²⁾ reduction in operating costs vs Q4 FY21



Drive recovery in dine-in business as Covid restrictions are relaxed

Impacted by 2nd wave; gradual easing of dine-in restrictions



Focus on the delivery business and grow the vertical by 2x

49% of annual target achieved in first 4 months



Add ~20 new restaurants

2 launched; 8 under construction

1) 100% restaurant employees on payroll as on 31st July 2021 vaccinated with atleast one dose

2) Operating cost includes all expenses before Reported EBITDA excluding cost of F&B and variable cost (commission & packaging) attributable to delivery

Transforming from CDR into a Food Services Company



A casual dining restaurant (CDR) chain



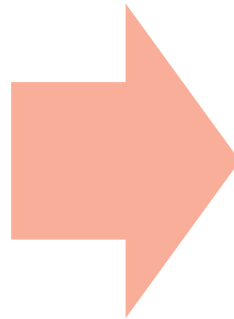
Focused on dine-in and enhancing customer experience



BBQN digital assets used for reservations and feedback



Barbeque and Indian cuisine



Food services company
Dine-in | Delivery



Enhance our dine-in business coupled with delivery business providing incremental avenue for growth



BBQN digital assets used for reservations, feedbacks, loyalty and delivery



Diversified menu options to provide multiple cuisines catering to a larger market segment

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