



BARBEQUE NATION HOSPITALITY LTD.

Earnings  
Presentation

Q2 FY23



# Key Performance Highlights



Q2 FY23

| Revenue from Operations | Reported EBITDA | SSSG (%)     | Delivery Revenue | New Restaurant Additions | Own Digital Assets Contribution (%) |
|-------------------------|-----------------|--------------|------------------|--------------------------|-------------------------------------|
| ₹ <b>3,105</b> mn       | ₹ <b>599</b> mn | <b>23.4%</b> | ₹ <b>392</b> mn  | <b>10</b>                | <b>28.7%</b>                        |
| +40.6% y-o-y            | 20.2% y-o-y     | Q2FY22: 184% | (23.3)% y-o-y    | Q2FY22: 2                | Q2FY22: 27.3%                       |
| EBITDA Margin: 19.3%    |                 |              |                  |                          |                                     |

H1 FY23

| Revenue from Operations | Reported EBITDA   | SSSG (%)     | Delivery Revenue | New Restaurant Additions | Own Digital Assets Contribution (%) |
|-------------------------|-------------------|--------------|------------------|--------------------------|-------------------------------------|
| ₹ <b>6,254</b> mn       | ₹ <b>1,333</b> mn | <b>73.6%</b> | ₹ <b>812</b> mn  | <b>21</b>                | <b>26.7%</b>                        |
| +93.7% y-o-y            | 239% y-o-y        | H1FY22: 270% | (24.0)% y-o-y    | H1FY22: 4                | H1FY22: 25.4%                       |
| EBITDA Margin: 21.3%    |                   |              |                  |                          |                                     |

# Diversified food services company with strong scalable brands



## 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



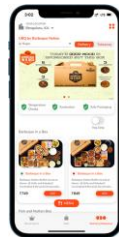
## Delivery offering



**PRODUCT INNOVATION**  
Barbeque-in-a-Box



**A-LA-CARTE**  
UBQ



BBQN App

**Delivery Kitchen**  
UBQ & Barbeque Nation

Extension Kitchens

Delivery through **BBQN App/ website** and extension kitchens creating more distribution points for delivery



## Toscano

Italian Cuisine- Dine-in & Delivery



**ASPIRATION**



**EXPERIENCE**



**VALUE**

Current presence across 3 metro cities provides huge headroom for growth

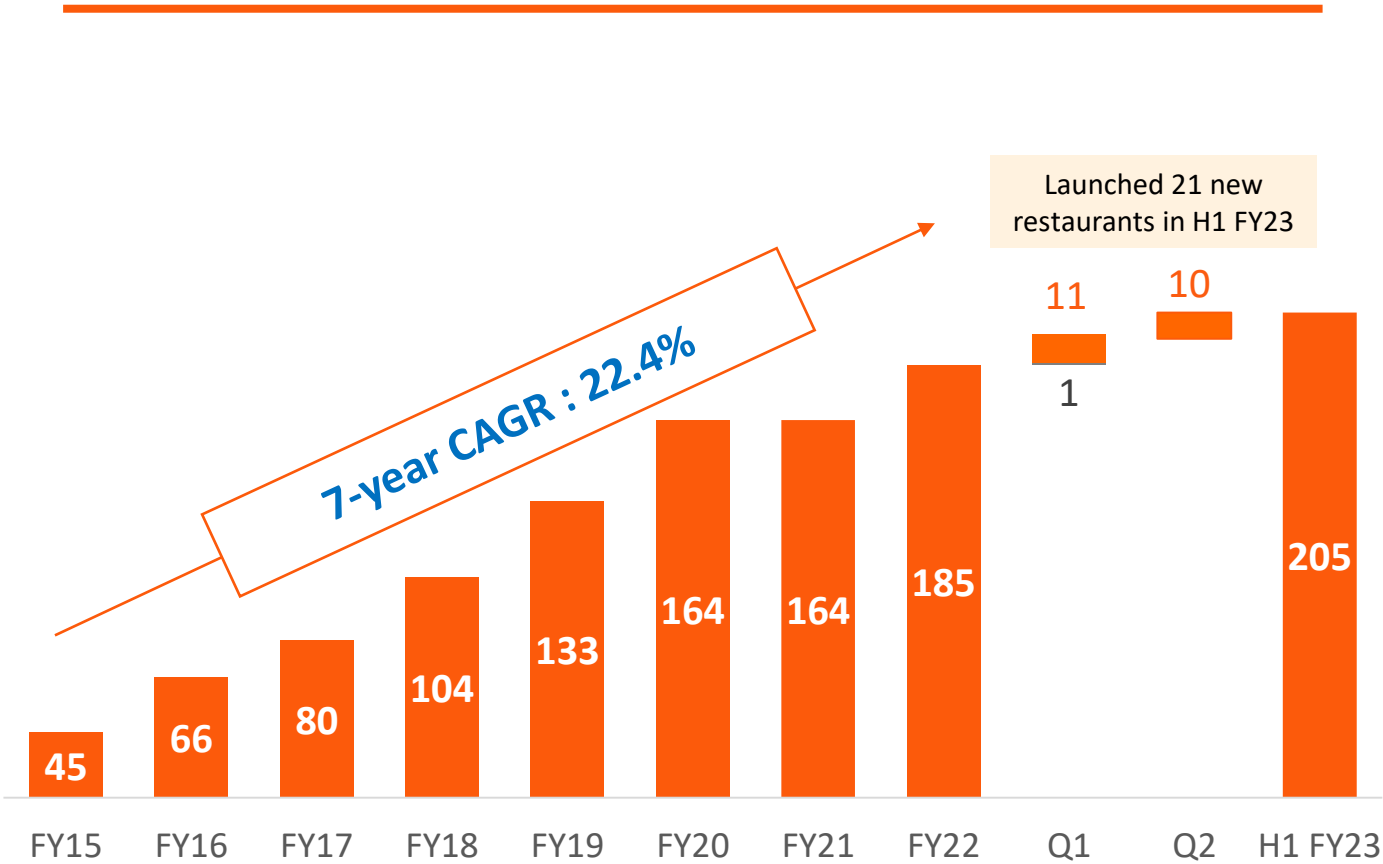


# Growing restaurant network

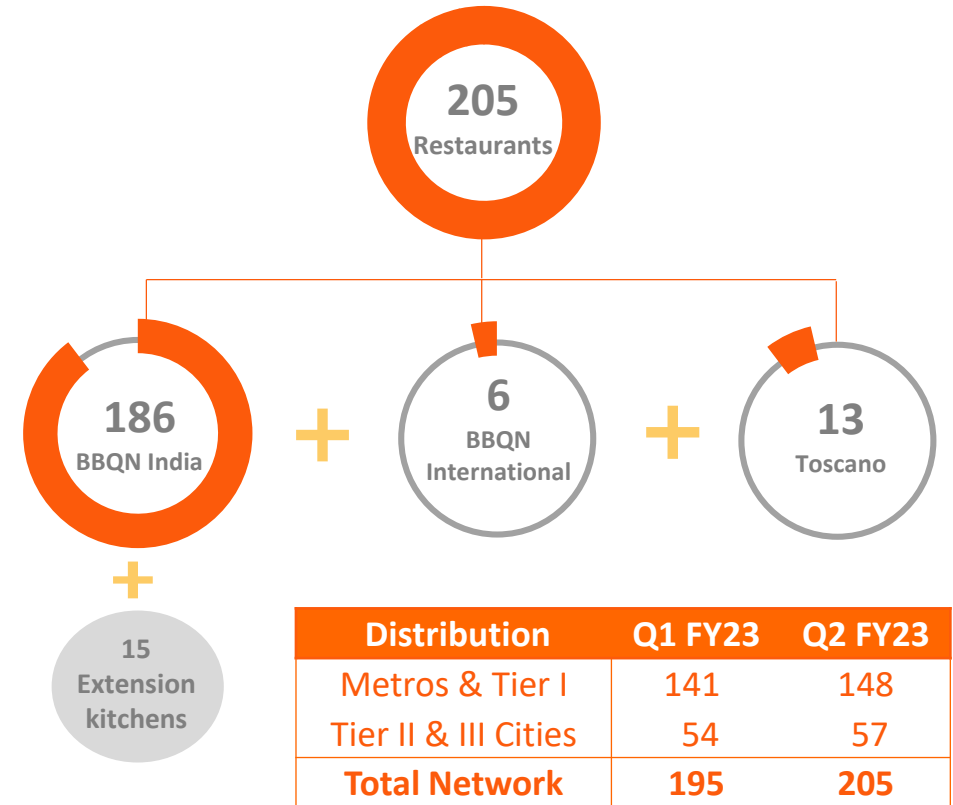


Added 10 new restaurants to the network in Q2

## Expansion of Restaurant Network



## Restaurant Composition



16 restaurants under construction; to be operational in Q3/Q4

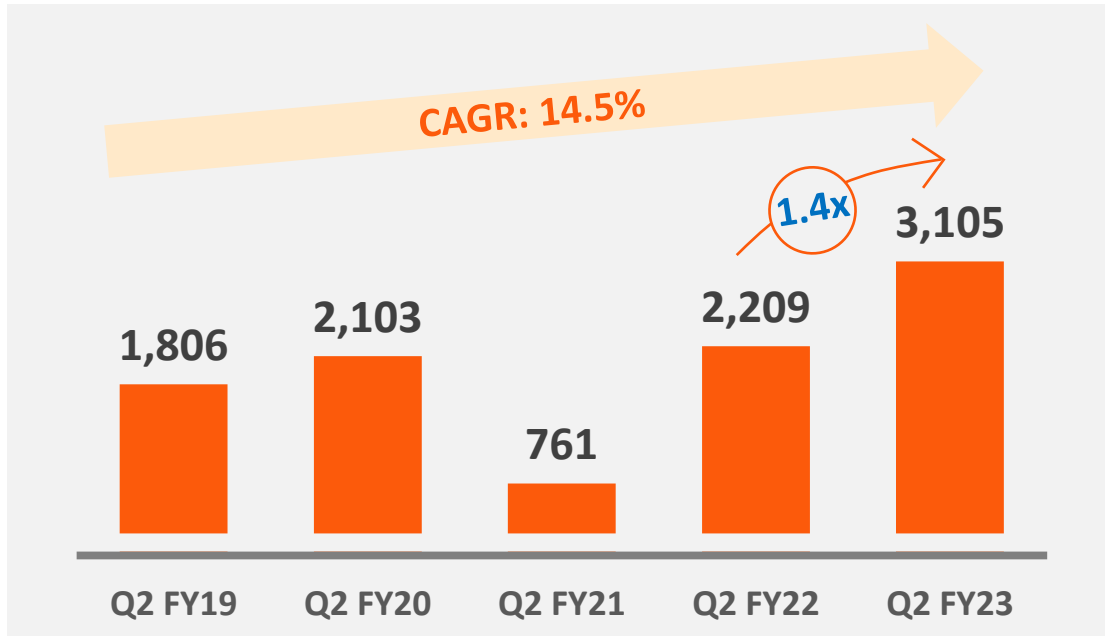


# Y-o-Y Revenue growth of ~41%

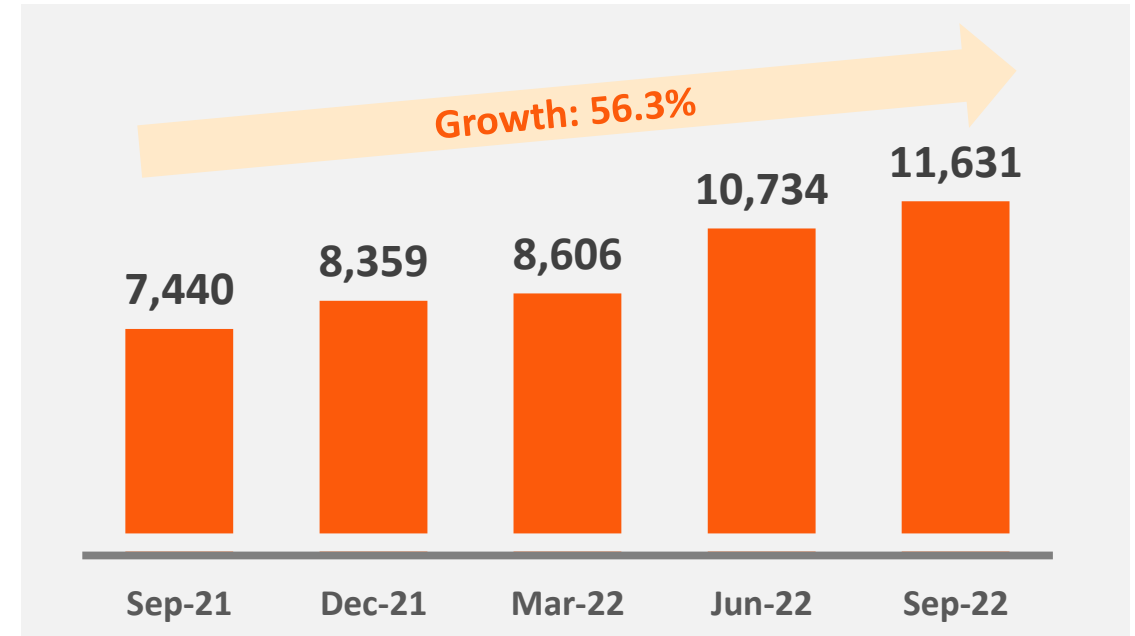


## Consolidated Revenue from Operations (₹ million)

Y-o-Y Quarterly Trend



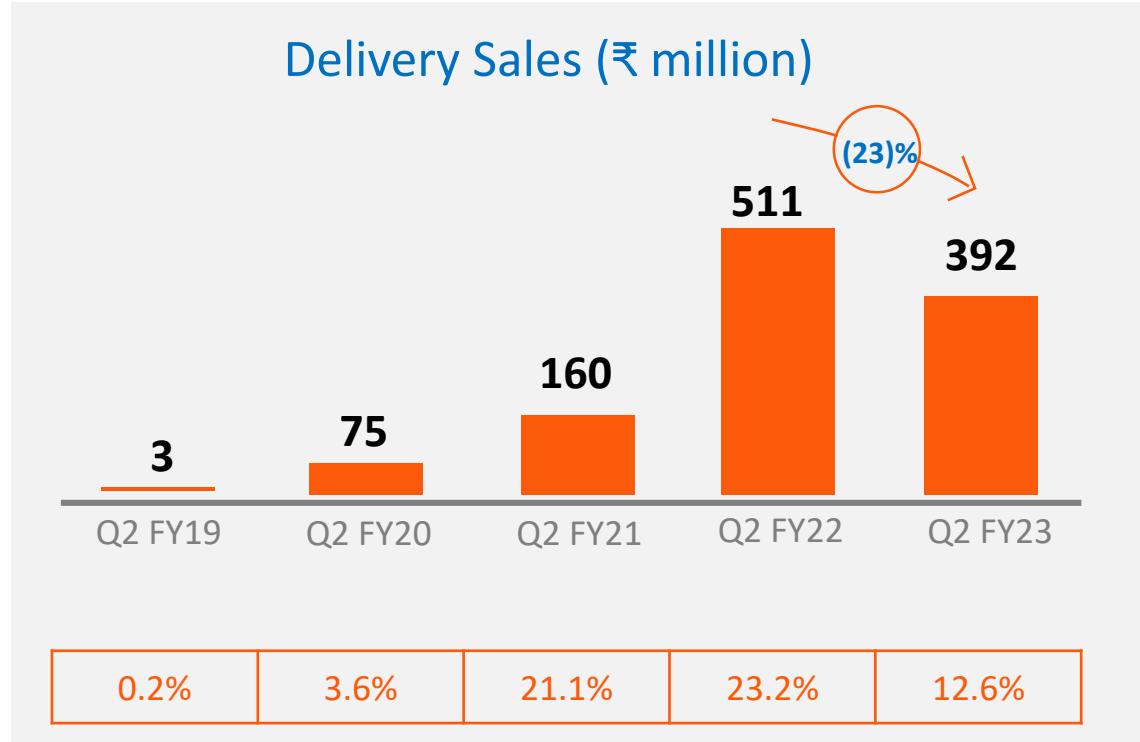
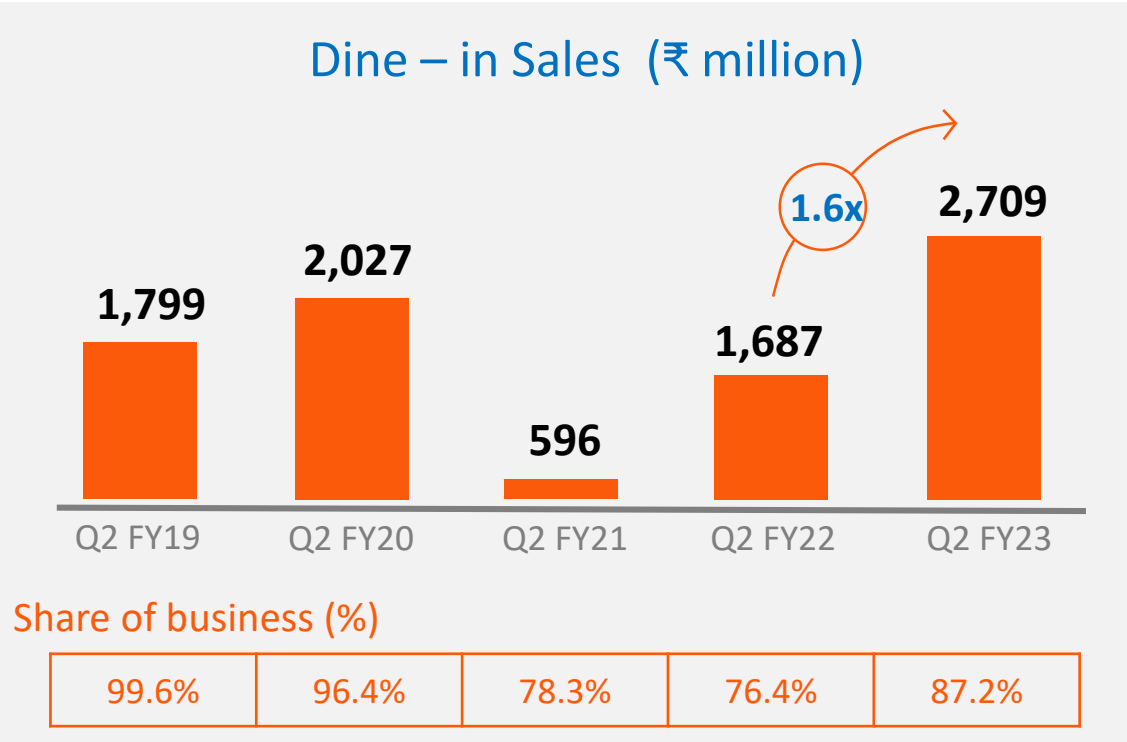
TTM Revenue Trend



- Q2 FY23 revenues grew 40.6% Y-o-Y supported by 61% growth in dine-in business
- SSSG of 23.4% driven by dine-in volume & price growth and partially impacted by decline in delivery



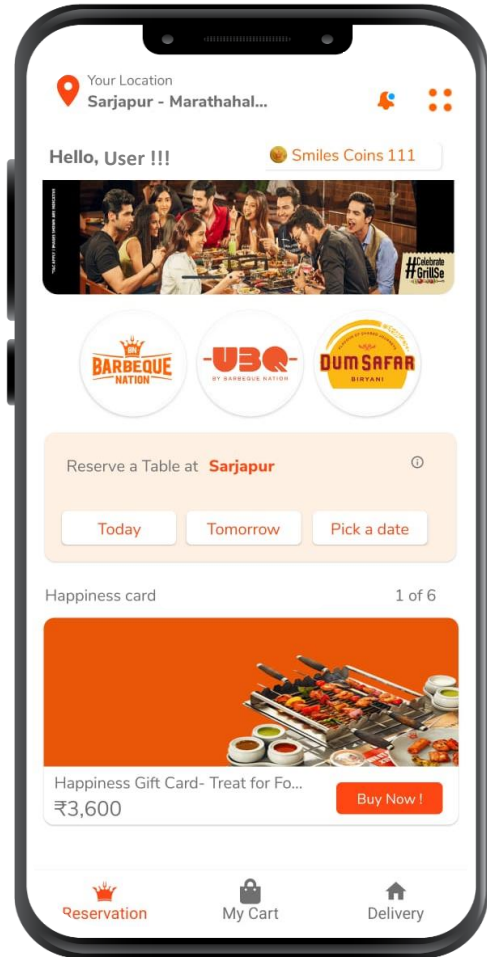
# Y-o-Y growth of ~61% in dine-in and ~23% decline in delivery



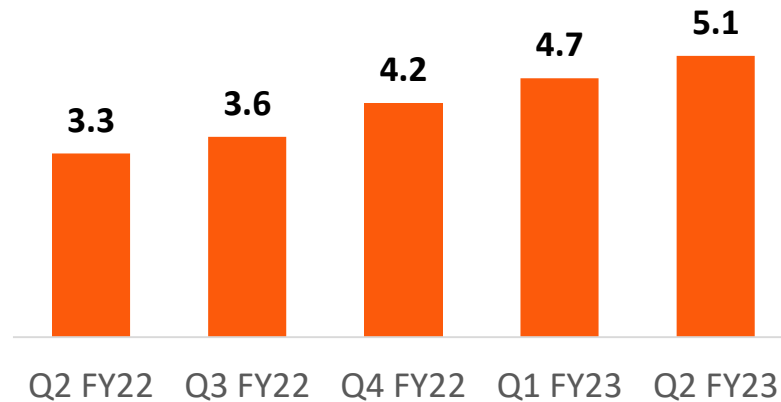
- Y-o-Y growth of 1.6x in dine-in revenue driven by volume and price growth
- Delivery business declined by 23% y-o-y
  - Y-o-Y delivery volume increased
  - AOV declined due to change in product mix and launch of new combo meals
- Launched the biryani brand 'Dumsafar' across 26 restaurants as on Sep-22



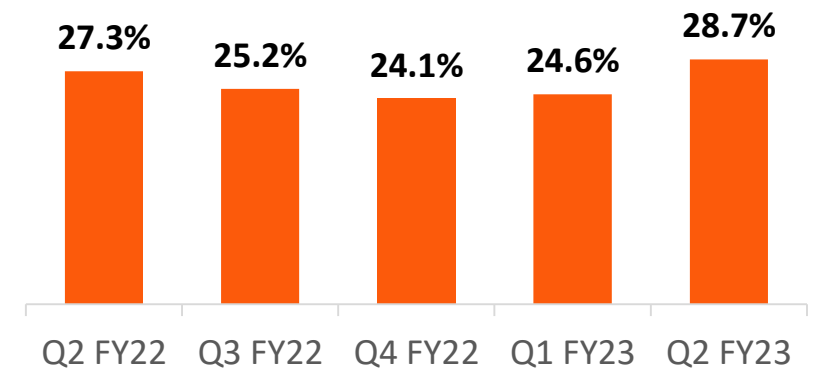
# Increased contribution from own digital assets



## Cumulative App Downloads (In Mn)



## Own Digital Assets Contribution<sup>1</sup> (%)



- Increase in share of own channels (both digital & non-digital)
- Cumulative BBQ App downloads: 5.1mn+; 51% increase over Sep-22
- 4.6+ App Ratings

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



# Matured outlets delivering strong revenue and margin performance (1/2)



| Q2 FY23 Metrics  | Matured <sup>1</sup> | New Restaurants <sup>1</sup> | Total               |
|--|----------------------|------------------------------|---------------------|
| Restaurant (#)   | 158                  | 47                           | 205                 |
| Revenue from operations (₹ Mn)                         | 2,629                | 476                          | 3,105               |
| Avg. Quarterly Revenue/Outlet (₹ Mn)                   | 16.6                 | 10.1                         | 15.5 <sup>(2)</sup> |
| Restaurant Op. Margin(%)-without IND-AS <sup>(3)</sup> | 19.2%                | 2.3%                         | 16.6%               |
| Restaurant Op. Margin(%)-with IND-AS <sup>(3)</sup>    | 27.8%                | 12.8%                        | 25.5%               |

1) Restaurants with operations of more than 2 years are considered as "Matured"

2) Avg. Quarterly revenue/outlet is calculated on 200 restaurants i.e., average of opening and closing number of restaurants during the period

3) Restaurant Operating Margin represents margins of the outlets and does not include other income





# Matured outlets delivering strong revenue and margin performance (2/2)



| H1 FY23 Metrics  | Matured <sup>1</sup> | New Restaurants <sup>1</sup> | Total               |
|--|----------------------|------------------------------|---------------------|
| Restaurant (#)   | 158                  | 47                           | 205                 |
| Revenue from operations (₹ Mn)                         | 5,390                | 863                          | 6,254               |
| Avg. Quarterly Revenue/Outlet (₹ Mn)                   | 17.1                 | 10.2                         | 16.0 <sup>(2)</sup> |
| Restaurant Op. Margin(%)-without IND-AS <sup>(3)</sup> | 20.4%                | 4.0%                         | 18.1%               |
| Restaurant Op. Margin(%)-with IND-AS <sup>(3)</sup>    | 28.9%                | 14.8%                        | 27.0%               |

1) Restaurants with operations of more than 2 years are considered as “Matured”

2) Avg. Quarterly revenue/outlet is calculated on 195 restaurants i.e., average of opening and closing number of restaurants during the period

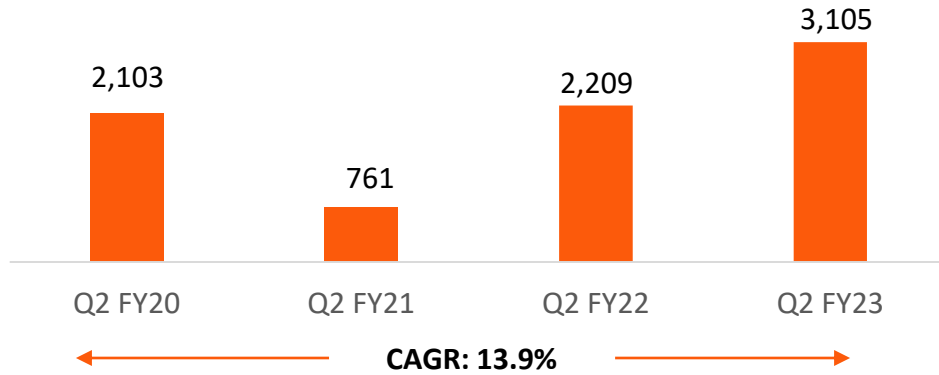
3) Restaurant Operating Margin represents margins of the outlets and does not include other income



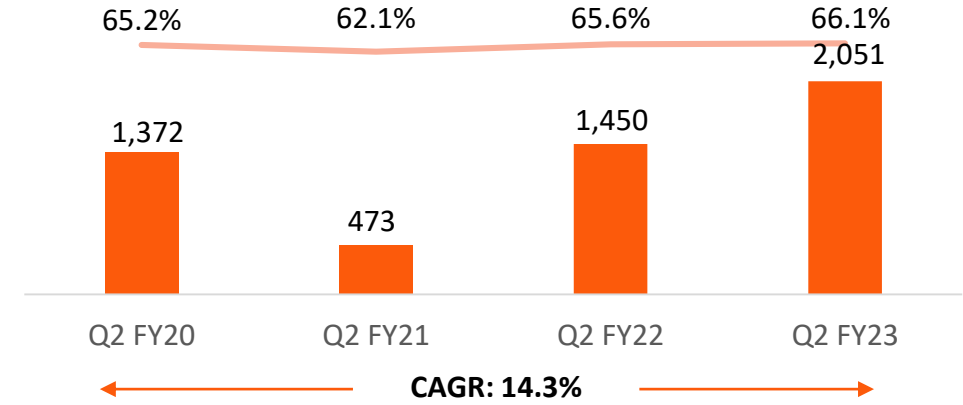
# Robust revenue growth and consistently delivered strong margins (1/2)



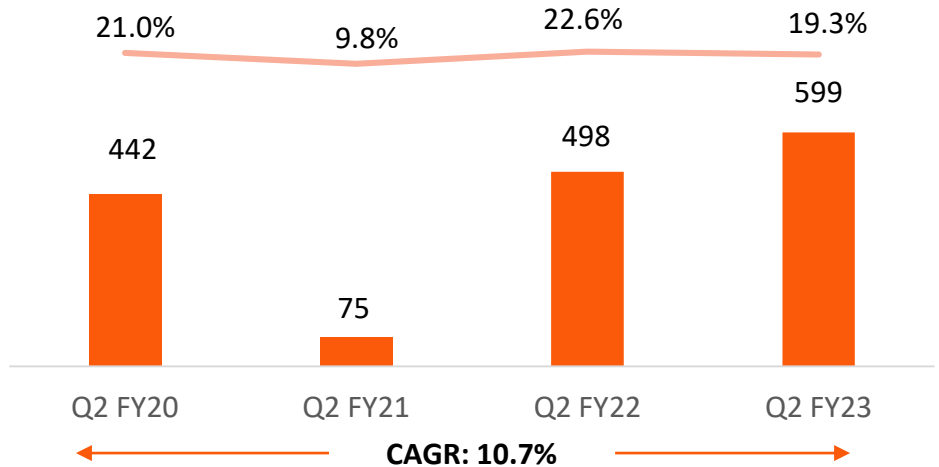
## Revenue from Operations (₹ Mn)



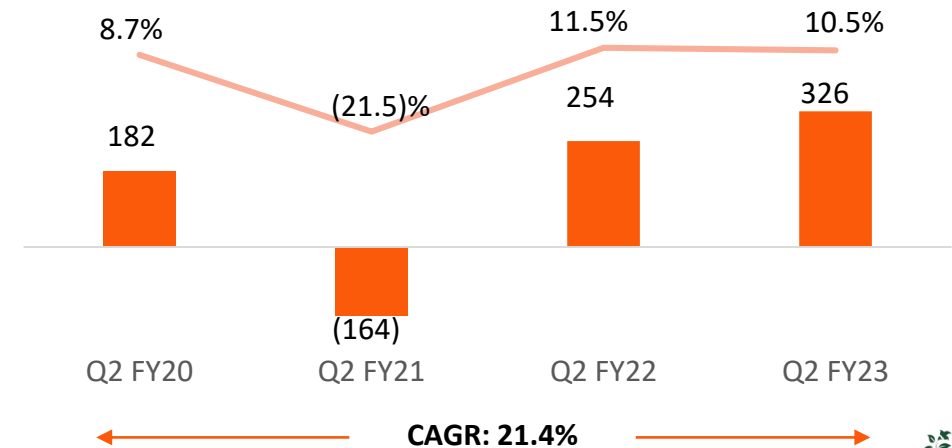
## Gross Profit (₹ Mn) and Margin (%)



## Reported EBITDA (₹ Mn) and Margin (%)



## Adjusted EBITDA\* (₹ Mn) and Margin (%)



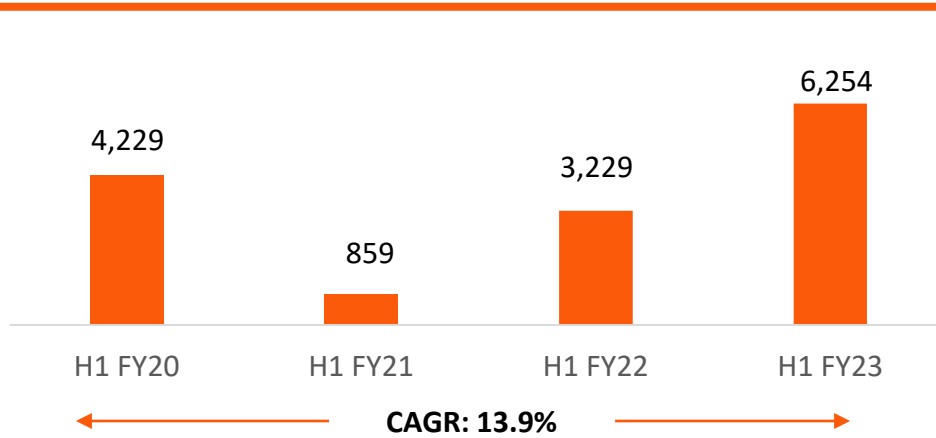
\*Adjusted EBITDA is EBITDA without IND AS 116 adjustments and excludes non cash ESOP provisions. All margins are calculated as % of Revenue from operations.



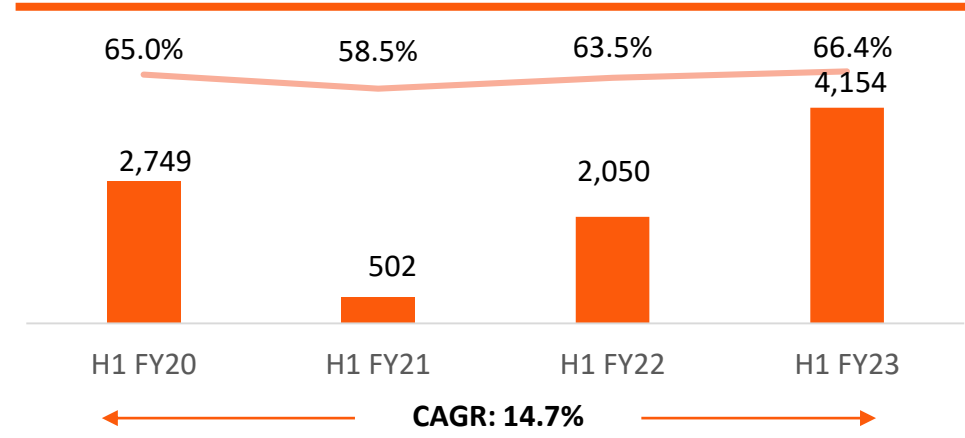
# Robust revenue growth and consistently delivered strong margins (2/2)



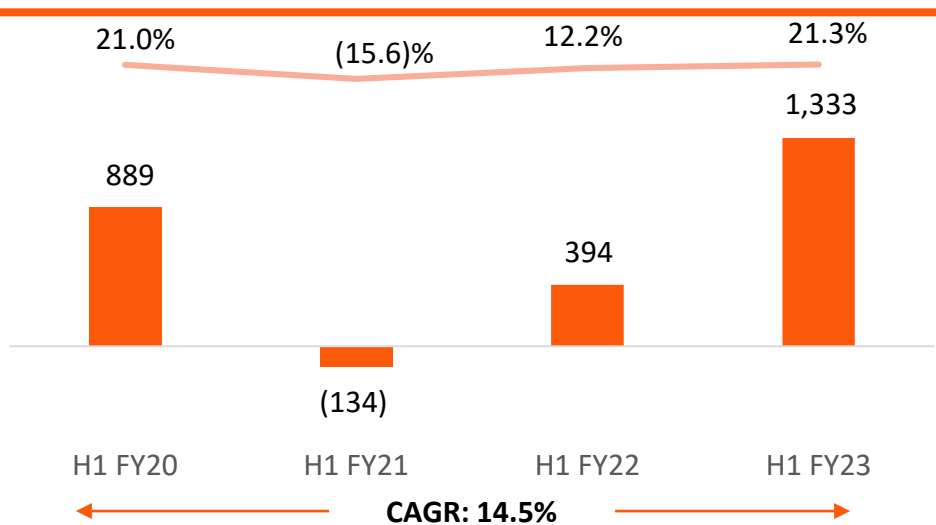
## Revenue from Operations (₹ Mn)



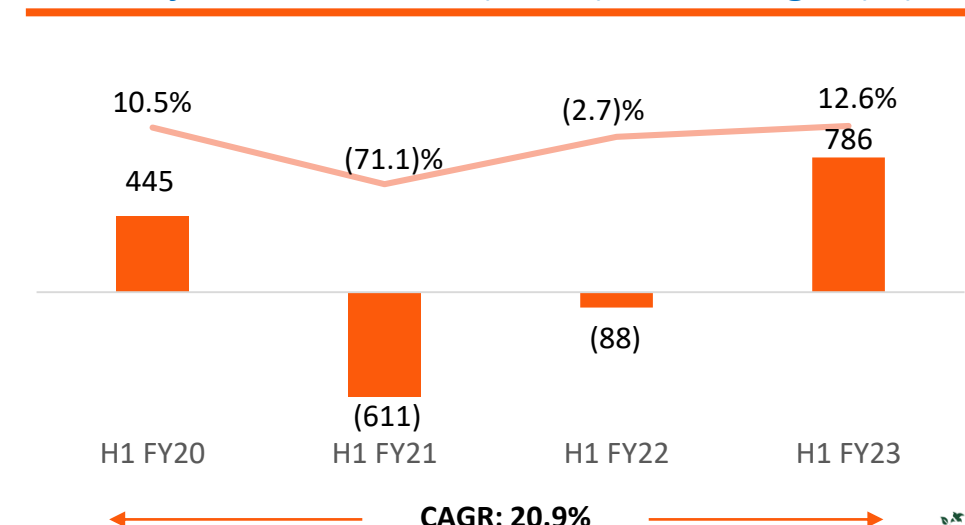
## Gross Profit (₹ Mn) and Margin (%)



## Reported EBITDA (₹ Mn) and Margin (%)



## Adjusted EBITDA\* (₹ Mn) and Margin (%)



\*Adjusted EBITDA is EBITDA without IND AS 116 adjustments and excludes non cash ESOP provisions. All margins are calculated as % of Revenue from operations.



# Consolidated P&L



| ₹ Millions                                 | Q2 FY23      | Q2 FY22      | Y-o-Y Gr%    | H1 FY23      | H1 FY22        | Y-o-Y Gr%    |
|--|--------------|--------------|--------------|--------------|----------------|--------------|
| Revenue from operations                    | 3,105        | 2,209        | 40.6%        | 6,254        | 3,229          | 93.7%        |
| Other Income                               | 16           | 85           | (81.2)%      | 46           | 159            | (71.1)%      |
| <b>Total Revenue</b>                       | <b>3,121</b> | <b>2,294</b> | <b>36.1%</b> | <b>6,300</b> | <b>3,388</b>   | <b>86.0%</b> |
| Cost of food and beverages consumed        | 1,054        | 759          | 38.8%        | 2,099        | 1,179          | 78.1%        |
| Employee related expenses                  | 679          | 462          | 46.9%        | 1,320        | 799            | 65.1%        |
| Occupancy and other expenses               | 789          | 574          | 37.4%        | 1,547        | 1,016          | 52.3%        |
| <b>EBITDA</b>                              | <b>599</b>   | <b>498</b>   | <b>20.2%</b> | <b>1,333</b> | <b>394</b>     | <b>239%</b>  |
| <i>EBITDA %</i>                            | <i>19.3%</i> | <i>22.6%</i> |              | <i>21.3%</i> | <i>12.2%</i>   |              |
| Finance costs                              | 180          | 153          | 17.3%        | 354          | 319            | 11.1%        |
| Depreciation and amortisation              | 350          | 304          | 15.1%        | 702          | 593            | 18.3%        |
| Exceptional items                          | (33)         | (3)          | nm           | (33)         | (3)            | nm           |
| <b>Profit before tax</b>                   | <b>102</b>   | <b>44</b>    | <b>133%</b>  | <b>310</b>   | <b>(515)</b>   | <b>nm</b>    |
| Tax expense                                | 26           | 10           | 160%         | 75           | (110)          | nm           |
| <b>Profit/(loss) after tax</b>             | <b>75</b>    | <b>33</b>    | <b>125%</b>  | <b>236</b>   | <b>(405)</b>   | <b>nm</b>    |
| <i>Profit/(loss) after tax %</i>           | <i>2.4%</i>  | <i>1.5%</i>  |              | <i>3.8%</i>  | <i>(12.5)%</i> |              |
| <b>Adjusted profitability*</b>             |              |              |              |              |                |              |
| <b>Adjusted EBITDA</b>                     | <b>326</b>   | <b>254</b>   | <b>28.2%</b> | <b>786</b>   | <b>(88)</b>    | <b>nm</b>    |
| <i>Adjusted EBITDA %</i>                   | <i>10.5%</i> | <i>11.5%</i> |              | <i>12.6%</i> | <i>(2.7)%</i>  |              |
| <b>Adjusted Profit/(loss) before tax</b>   | <b>158</b>   | <b>81</b>    | <b>93.8%</b> | <b>412</b>   | <b>(447)</b>   | <b>nm</b>    |
| <i>Adjusted Profit/(loss) before tax %</i> | <i>5.1%</i>  | <i>3.7%</i>  |              | <i>6.6%</i>  | <i>(13.8)%</i> |              |

\*Adjusted EBITDA and PBT is calculated without the impact of IND AS 116 and excludes non cash ESOP related provisions. All margins are calculated as % of Revenue from operations.

# Consolidated Balance Sheet



| ₹ Millions                           | Sep-22        | Mar-22        |
|--------------------------------------|---------------|---------------|
| Equity Share capital                 | 195           | 195           |
| Other equity                         | 3,861         | 3,665         |
| Non-controlling interest             | 87            | 93            |
| <b>Total Equity</b>                  | <b>4,143</b>  | <b>3,953</b>  |
| Borrowings                           | 108           | 144           |
| Lease Liability                      | 5,876         | 5,295         |
| Provisions                           | 111           | 104           |
| <b>Total Non-Current Liabilities</b> | <b>6,095</b>  | <b>5,543</b>  |
| Borrowings                           | 53            | 73            |
| Lease Liability                      | 614           | 592           |
| Trade Payables                       | 1,279         | 988           |
| Other Current Liabilities            | 253           | 263           |
| <b>Total Current Liabilities</b>     | <b>2,200</b>  | <b>1,917</b>  |
| <b>Total Liabilities</b>             | <b>8,295</b>  | <b>7,460</b>  |
| <b>Total Equity and Liabilities</b>  | <b>12,438</b> | <b>11,413</b> |

| ₹ Millions                      | Sep-22        | Mar-22        |
|---------------------------------|---------------|---------------|
| Property, plant and equipment   | 3,435         | 3,078         |
| Right-of-use assets             | 5,429         | 4,877         |
| Capital work-in-progress        | 250           | 212           |
| Goodwill                        | 723           | 723           |
| Other intangible assets         | 43            | 45            |
| Other non-current assets        | 959           | 984           |
| <b>Total Non-current assets</b> | <b>10,840</b> | <b>9,918</b>  |
| Inventories                     | 495           | 358           |
| Trade receivables               | 34            | 57            |
| Cash and cash equivalents       | 747           | 853           |
| Other current assets            | 322           | 226           |
| <b>Total current assets</b>     | <b>1,598</b>  | <b>1,494</b>  |
| <b>Total assets</b>             | <b>12,438</b> | <b>11,413</b> |



# Key Investment themes



## Investment Themes



Resilient food services brand: BBQN, UBQ and Toscano  
*Strong growth in revenues, EBITDA and margins*



Dine-in | Delivery composition driving incremental growth  
*Maintain share of delivery business at 15-20%*



Robust SSSG with strong restaurant operating margins(ROM)  
*SSSG of 30% in FY23\**



Drive growth through restaurant expansion  
*Plan to open 35-40 restaurants in FY23*



BBQN own digital assets contribution (ODAC) used for reservations, feedback, loyalty and delivery

## Q2 FY23

Revenue growth: 40.6%  
EBITDA growth: 20.2%  
EBITDA Margin: 19.3%

Dine-in | Delivery Mix:  
87.2%/12.6%

SSSG: 23.4%  
ROM: 17.2%

New additions: 10  
Total restaurants: 205

ODAC: 28.7%

## H1 FY23

Revenue growth: 93.7%  
EBITDA growth: 239%  
EBITDA Margin: 21.3%

Dine-in | Delivery Mix:  
86.8%/13.0%

SSSG: 73.6%  
ROM: 18.4%

New additions: 21  
Total restaurants: 205

ODAC: 26.7%

**Track record of new business verticals:**  
UBQ, Toscano, BBQ International

**Strong Balance sheet:**  
Net cash of ₹ 587 mn

**Diversification with presence in**  
84 Indian cities

\*SSSG of 30% on COVID impacted base of FY22  
All margins are calculated as % of Revenue from operations.





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.

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.

All the number are on consolidated basis and without adjustment for the minority interest of 24.84% in Red Apple Kitchen, unless otherwise mentioned. All margin calculation are on Revenue from operations, unless otherwise mentioned.

**For further information, please contact:**

**Bijay Sharma**

**Head of Investor Relations**

Barbeque-Nation Hospitality Ltd.

[Investor@barbequenation.com](mailto:Investor@barbequenation.com)

**BARBEQUE NATION HOSPITALITY LTD.**

**HEAD OFFICE**

Saket Callipolis,

Unit No 601 & 602, 6<sup>th</sup> Floor,

Doddakannalli Village, Varthur Hobli, Sarjapur Road,

Bengaluru, Karnataka 560035 India.

E: [feedback@barbequenation.com](mailto:feedback@barbequenation.com)

W: [www.barbequenation.com](http://www.barbequenation.com)

