

Jubilant FoodWorks Limited

Press Release - Financial Results for Q3 and 9M FY23



- Revenue up by 10.3%; EBITDA margin at 22.0%; PAT margin at 6.7%
 - Opened 60 new Domino's stores and entered 16 new cities
 - Launched 20 minute delivery guarantee across 20 zones and 14 cities
- Record high Domino's app quarterly downloads at 9.4 mn; MAU at 11.3 mn, up by 22.7%
- 10.6 mn customers enrolled for Domino's Cheesy Rewards; Loyalty order contribution reached 39% in Dec '22

Noida, 1st February 2023 – Jubilant FoodWorks Limited(NSE, BSE: JUBLFOOD), India's largest foodservice company, today announced its financial results for the quarter and nine months ended December 31, 2022.

During the quarter, Revenue from Operations of Rs. 13,166 million increased 10.3% versus the prior year. The increase in revenue was primarily driven by growth in orders for Domino's. The Domino's Like-for-Like growth came in at 0.3%. The Delivery channel registered 9.9% growth led by orders partially offset by decline in ticket. The Dine-in and Takeaway channels combined registered 9.8% growth driven by increase in ticket and orders.

The historic high inflation continues to keep margin under pressure. For the quarter, EBITDA came in at Rs. 2,900 million and EBITDA margin was 22.0%. Profit After Tax came in at Rs. 886 million and PAT margin was 6.7%.

For the nine months ended December 2022, Revenue from Operations of Rs. 38,437 million increased 21.1% versus the corresponding period of the prior year. The Domino's LFL growth came in at 10.8%. EBITDA came in at Rs. 9,070 million, and EBITDA margin was 23.6%. Profit after tax came in at Rs. 3,087 million and PAT margin was 8.0%.

During the quarter, the Company opened 64 new stores in India, resulting in a network of 1,814 stores across all brands. With the addition of 60 new stores and entry in 16 new cities, Domino's India has expanded its network strength to 1,760 stores across 387 cities. The Company opened four new stores for Popeyes taking the network tally to 12 stores in Bengaluru. In January, the Company also opened its first Popeyes store in Chennai.

In December, the Company announced the launch of 20-minute delivery for Domino's in 14 cities across 20 zones. Domino's has pioneered 30-minutes delivery and established itself as a market leader in the QSR sector. The unparalleled 20-minutes delivery announcement that underlines Domino's delivery prowess is a benchmark proposition revolutionizing the QSR sector. The Company also expanded the product portfolio for Domino's India with two strategic interventions. At one end, the launch of a new range of eight gourmet pizzas - Viva Roma - will help the Company to drive premiumization. On the other hand, the launch of Everyday Value – Mix n Match Menu at Rs. 49 each as a Dine-in only proposition is aimed to attract new Dine-in customers.

The enrolment to loyalty program – Domino's Cheesy Rewards – crossed 10.6 million and the loyalty order contribution reached 39% in December 2022. The quarterly app downloads scaled a new high at 9.4 million. The MAU for the quarter at 11.3 mn registered a 22.7% growth.

In Sri Lanka, the Company delivered a record performance with highest ever sales and new store additions. The system sales growth was 24.9% and the Company opened seven new stores taking the network strength to 47 stores. In Bangladesh, system sales grew by 44.7%. With the opening of two new outlet, the store count in Bangladesh has reached 13 stores.

Commenting on the Q3FY23 performance, **Mr. Shyam S. Bhartia, Chairman and Mr. Hari S. Bhartia, Co-Chairman, Jubilant FoodWorks Limited** said, *“In a challenging environment marked by historic high inflation and consequential impact on demand, our performance was impacted. The strength of our brands, continued focus on delivering high value, and an array of planned, strategic interventions will help us navigate the current situation and reorient the business to robust, profitable growth.”*

Commenting on the Q3FY23 performance, **Mr. Sameer Khetarpal, CEO and MD, Jubilant FoodWorks Limited** said, *“We reported modest top-line growth as LFL growth for Domino’s was flat. This, along with historic high inflation, resulted in margin compression. We have sharpened our strategy to get growth back in the business. Our renewed priorities include - Customer first, Data and technology forward, Operational excellence and Foundation of people and culture. We are confident that the interplay of these sets of priorities will not only help us navigate current headwinds but will help us capitalize on the immense potential of the food service industry.”*

Quarterly Financial Highlights			
Particulars (Rs. mn)	Q3 FY23	Q3 FY22	% Change/ Basis points change
Revenue from Operations	13,166	11,935	10.3%
Gross Profit	9,937	9,262	7.3%
Gross Margin (%)	75.5%	77.6%	(213) bps
EBITDA	2,900	3,174	(8.6)%
EBITDA Margin (%)	22.0%	26.6%	(457) bps
PAT	886	1,373	(35.5)%
PAT Margin (%)	6.7%	11.5%	(478) bps

Domino’s India				
Particulars	Q3 FY23	Q3 FY22	9M FY23	9M FY22
Like-for-Like Growth(non-split stores)*	0.3%	7.5%	10.8%	34.2%
Network				
Restaurant at the beginning of the period	1,701	1,435	1,567	1,360
New Restaurants	60	75	194	150
Closed restaurants	1	15	1	15
Restaurants at the end of the period	1,760	1,495	1,760	1,495
Number of new cities added	16	17	50	31
1,760 restaurants as of 31 st December, 2022 across 387 cities				
Digital KPIs				
Particulars	Q3 FY23		Q3 FY22	
OLO to Delivery Sales %	97.7%		97.6%	
Mobile Ordering sales to OLO %	98.3%		97.4%	
Quarterly app downloads in mn	9.4		8.2	
MAU in mn	11.3		9.2	

* “Like-for-like” (LFL) Sales Growth refers to the year-over-year growth in sales for non-split restaurants opened before previous financial year
MAU: Defined as unique user who opens Domino’s India app on android or iOS in a month

Dunkin'				
Network				
Particulars	Q3 FY23	Q3 FY22	9M FY23	9M FY22
Restaurants at the beginning of the period	24	28	28	24
New Restaurants	0	1	1	6
Closed restaurants	0	0	5	1
Restaurants at the end of the period	24	29	24	29

Hong's Kitchen and Ek dum!				
Network				
Particulars	Q3 FY23	Q3 FY22	9M FY23	9M FY22
Restaurants at the beginning of the period	20	21	24	12
New Restaurants	0	1	2	10
Closed restaurants	2	0	8	0
Restaurants at the end of the period	18	22	18	22

Notes:

1. The Company opened four new stores for Popeyes during the quarter taking the total number of stores to 12 in Bengaluru
2. All financial data in this presentation is derived from reviewed standalone IND-AS financial statements
3. Figures have been rounded off for the purpose of reporting

Disclaimer

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Jubilant FoodWorks Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

For further information please contact:

Ashish Goenka / Deepak Jajodia / Lakshya Sharma

E-mail: ashish.goenka@jublfood.com
deepak.jajodia@jublfood.com
lakshya.sharma@jublfood.com

About Jubilant FoodWorks Limited^:

Jubilant FoodWorks Limited (NSE, BSE: JUBLFOOD) is India's largest foodservice company and is part of the Jubilant Bhartia Group. Incorporated in 1995, the Company holds the exclusive master franchise rights from Domino's Pizza Inc. to develop and operate the Domino's Pizza brand in India, Sri Lanka, Bangladesh and Nepal. In India, it has a strong and extensive network of 1,760 Domino's restaurants across 387 cities. In Sri Lanka and Bangladesh, the Company operates through its 100% owned subsidiary which currently has 47 and 13 restaurants respectively. Jubilant FoodWorks also enjoys exclusive rights to develop and operate Dunkin' restaurants in India and Popeyes restaurants in India, Bangladesh, Nepal and Bhutan. The Company currently operates 24 Dunkin' restaurants across 8 Indian cities and 12 Popeyes restaurants in Bengaluru.

In 2019, Jubilant FoodWorks launched its first owned-restaurant brand 'Hong's Kitchen' in the Chinese cuisine segment which now has 12 restaurants across 4 cities. In 2020, the Company launched Ek dum! another new restaurant brand that serves *biryani*. Ek dum! has 6 restaurants across 3 cities. The Company has also forayed into the ready-to-cook segment with its 'ChefBoss' range of sauces, gravies and pastes.

Note: All store counts as on December 31, 2022

Website:

www.jubilantfoodworks.com, www.dominos.co.in, <https://dunkinindia.com>, <https://hongskitchen.in/>, <https://ekdum.co.in/>, www.popeyes.in, www.chefboss.com