

### Weak consumer sentiments ruling VFM demand

RBA's Q3FY24 print was below our expectations; standalone revenue/EBITDA grew by 20.5%/47.9% while PAT loss cut to Rs64mn. With 441 stores SSSG of 2.6% indicates continued weakness in consumer sentiments. With 334 BK café covering 76% store its ADS stood flat at Rs119K (-5.5% QoQ). Management alluded sharp focus on building traffic using VFM layer through menu innovation (Rs99/- meal) yielding good results. RBA said it is building price leadership and value credentials for Gen-Z and Millennials remains key priority. Geopolitical issues impacted Indonesia revenues to Rs1.6bn with ADS at IDR17.8mn (-1%) YoY, though RBA aims to strengthen operation with 163 BK and 25 Popeyes stores establishing relevant chicken menu and leadership in Burgers. Gross margin inched up to 67.1% (+76bp), yet higher employee/other expenses at +10.4%/+17.8% resulting in post-INDAS EBITDA margins at 15.9% (+294bp). RBA cuts SSSG guidance to 3% with ~67% gross margin in FY24. We tweak margin assumptions and maintain Reduce rating with a revised DCF-based TP Rs112 (implying EV/EBITDA of 14.1x avg. FY25E/FY26E).

**Building consumer traffic through price leadership yielding SSSG at 3.5%**

RBA reported standalone revenue at Rs4.5bn (+20.5%) YoY despite peak food inflation resulting in stretched consumer spends. With 441 stores (37 in Q3) RBA clocked ADS of Rs119K (flat YoY, -5.5% QoQ) and SSSG of 2.6% indicates continued weakness in consumer sentiments. Further 334 restaurants with BK Café covering 76% stores saw Café ADS at flat at Rs16K. Management stepped up its investments to, (1) strengthen value-for-money credentials, new Rs99/- meals strategy, (2) Boss Whopper – LTO, Crunchy Chicken nuggets, and (3) enhancing user experience Kings Journey. Geopolitical issues impacted Indonesia revenues to Rs1.6bn with ADS at IDR17.8mn (-1%) YoY though RBA aims to strengthen operation with 163 BK and 25 Popeyes stores establishing relevance and credibility. The company aims to strengthen BKI operation by: (1) establishing burger leadership, (2) building relevance and credibility of chicken menu (being strong non-veg market), and (3) build dessert layer – King Fusion.

**Despite Flat ADS, lower milk inflation RBA managed its operating margin**

RBA's gross margin inched up to 67.1% (+76bp) led by, (1) higher operating leverage and (2) better product mix. Despite higher employee cost (+10.4%) and other expense (+17.8%) the company's EBITDA grew 47.9%, settling post-INDAS EBITDA margin at 15.9% (+294bp). Restaurant EBITDA margin (Pre INDAS) came in at 12.2% (+180bp) YoY. BK Indonesia reported EBITDA loss at Rs0.3mn and management now targets to achieve cash breakeven in FY25. With ~5% of sales investments in marketing spends, despite strong pick up in value segment RBA targets to maintain gross margins at ~67% and cut its FY24 SSSG guidance to 3% from 6%.

**Valuation and risks**

As argued in our [QSR Thematic report](#), RBA's growth strategy revolves around (1) building value-proposition, (2) develop premium layer with whopper, and (3) extract efficiencies through operating leverage scale. We believe it has long way to catch up industry leader. However, incremental competition in QSR space, especially from McDonald's would continue to impact RBA's performance in our view. On cost front, we believe short term pain are not yet over as majority of raw materials (cheese, milk and packaging material) still remain elevated. Given strong demand for Burgers in India as well as in Indonesia we remain hopeful expecting RBA to turn PAT positive in FY26E, though premium valuation does not provide margin of safety. We tweak FY24E/25E earnings and retain Reduce rating with a revised DCF-based TP of Rs112 (implying EV/EBITDA of 14.1x avg. FY25E/FY26E). Key risks to our call prolonged weakness in demand, rising inflation in key RM/PM & higher competition.

**Financial and valuation summary**

YE Mar (Rs mn)	3QFY24A	3QFY23A	YoY (%)	2QFY24A	QoQ (%)	FY24E	FY25E	FY26E
Revenues	4,454	3,698	20.5	4,535	(1.8)	18,443	22,803	27,834
EBITDA	708	479	47.9	634	11.6	2,546	3,378	4,325
EBITDA margin (%)	15.9	12.9	294bp	14.0	190bp	13.8	14.8	15.5
Adj. Net profit	(64)	(112)	(42.8)	(93)	nm	(476)	(171)	341
Adj. EPS (Rs)	(0.1)	(0.2)	nm	(0.2)	Nm	(1.0)	(0.3)	0.7
EPS growth (%)						(33.7)	(64.1)	nm
PE (x)						nm	nm	165.7
EV/EBITDA (x)						22.0	16.5	12.7
PBV (x)						3.1	3.1	3.1
RoE (%)						(2.6)	(0.9)	1.9
RoCE (%)						3.6	6.5	8.9

Source: Company, Centrum Broking

Please see Disclaimer for analyst certifications and all other important disclosures.

Result Update

India I Retail

30 January, 2024

**REDUCE**

Price: Rs114

Target Price: Rs112

Forecast return: -2%

Institutional Research

#### Market Data

Bloomberg:	RBA IN
52 week H/L:	138/84
Market cap:	Rs56.7bn
Shares Outstanding:	496.4mn
Free float:	75.5%
Avg. daily vol. 3mth:	30,71,066

Source: Bloomberg

#### Changes in the report

Rating:	Unchanged
Target price:	Rs112; up 3% from Rs109
EPS:	FY24E: Rs(0.96) FY25E: Rs(0.35)

Source: Centrum Broking

#### Shareholding pattern

	Dec-23	Sep-23	Jun-23	Mar-23
Promoter	15.4	15.4	40.8	40.8
FII	26.9	29.9	27.4	27.5
DII	23.7	22.2	9.7	9.9
Public/other	34.0	32.4	22.2	21.8

Source: BSE

#### Centrum estimates vs Actual results

YE Mar (Rs mn)	Centrum Q3FY24	Actual Q3FY24	Variance (%)
Revenue	4,593	4,454	3.1
EBITDA	639	708	-9.7
EBITDA margin %	13.9	15.9	197bp
Other Income	50	32	58.0
Interest	282	281	0.3
Depreciation	499	522	-4.6
PBT	-91	-64	42.6
Tax	0	0	
Rep. PAT	-91	-64	42.6
Adj. PAT	-91	-64	42.6

Source: Bloomberg, Centrum Broking



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Retail

## Thesis Snapshot

### Estimate revision

YE Mar (Rs mn)	FY24E New	FY24E Old	% chg	FY25E New	FY25E Old	% chg
Revenue	18,443	18,694	(1.3)	22,803	23,561	(3.2)
EBITDA	2,546	2,433	4.6	3,378	3,339	1.2
EBITDA margin %	13.8	13.0	79bp	14.8	14.2	64bp
Adj. PAT	(476)	(494)	NM	(171)	(122)	NM
Diluted EPS (Rs)	(0.7)	(1.0)	NM	(0.3)	(0.2)	NM

Source: Centrum Broking

### RBA versus NIFTY Midcap 100

	1m	6m	1 year
RBA IN	2.1	(0.6)	3.3
NIFTY Midcap 100	5.7	29.5	56.3

Source: Bloomberg, NSE

### Key assumptions

Y/E Mar	FY24E	FY25E
No. of store –India	460	545
Gross Margin%	67.0	68.0
Store Margin (%) (Pre-INDAS)	10.7	11.7
Store Margin (%) (Post-INDAS)	19.2	20.0
EBITDA (%) (Pre-INDAS)	5.3	6.5
EBITDA (%) (Post-INDAS)	13.8	14.8

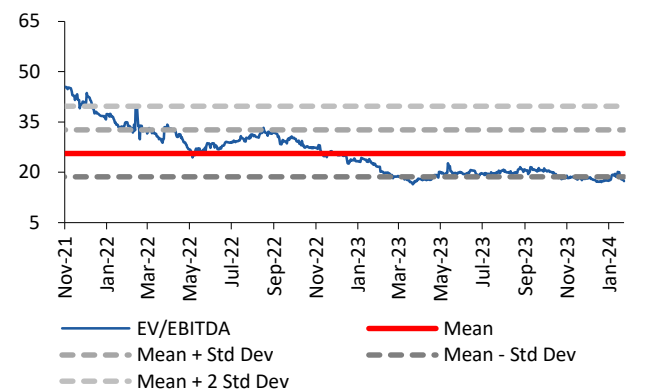
Source: Centrum Broking

### Valuations

As argued in our [QSR Thematic report](#), RBA's growth strategy revolves around (1) building value-proposition, (2) develop premium layer with whopper, and (3) extract efficiencies through operating leverage scale. We believe it has long way to catch up industry leader. However, incremental competition in QSR space, especially from McDonald's would continue to impact RBA's performance in our view. On cost front, we believe short term pain are not yet over as majority of raw materials (cheese, milk and packaging material) still remain elevated. Given strong demand for Burgers in India as well as in Indonesia we remain hopeful expecting RBA to turn PAT positive in FY26E, though premium valuation does not provide margin of safety. We tweak FY24E/25E earnings and retain Reduce rating with a revised DCF-based TP of Rs112 (implying EV/EBITDA of 14.1x avg. FY25E/FY26E). Key risks to our call prolonged weakness in demand, rising inflation in key RM/PM & higher competition.

Valuations	Rs/share
SOTP-based target price	112
WACC (%)	13.7
Terminal growth (%)	4.7

### EV/EBITDA mean and standard deviation



Source: Bloomberg, Centrum Broking

### Peer comparison

Company	Mkt Cap				CAGR (FY24-26E) %			EV/EBITDA(x) Pre-INDAS			EV/EBITDA (x) - Post			RoE(%)		
	(Rs Bn)	Sales	EBITDA	EPS	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E			
Jubilant Foods	335.4	13.1	16.7	25.1	48.8	35.2	27.3	31.1	24.3	19.4	16.4	21.3	23.8			
Devyani International	214.8	14.2	17.1	24.6	39.5	28.0	22.1	26.5	19.3	15.4	20.4	24.5	24.6			
Westlife Foodworld	129.1	12.4	15.6	31.5	42.1	32.6	26.1	32.0	25.4	20.5	22.0	27.1	31.0			
Sapphire Foods	90.8	12.3	13.8	27.3	26.2	20.6	15.7	16.4	13.0	9.9	9.4	11.9	15.2			
<b>RBA</b>	<b>56.7</b>	<b>22.9</b>	<b>30.4</b>	<b>NA</b>	<b>157.1</b>	<b>57.3</b>	<b>37.6</b>	<b>34.1</b>	<b>22.0</b>	<b>16.5</b>	<b>(3.7)</b>	<b>(2.6)</b>	<b>(0.9)</b>			

Source: Company, Centrum Broking

## Conference call highlights

### Overview

- Standalone revenues grew by 20.5% to Rs4.5bn. SSSG grew 2.6% mainly led by traffic growth while ADS remain flat at 119k
- Consol. revenue grew 14.8% to Rs6.0bn. Indonesia revenue remained flat at with 1.4% growth to Rs1.6bn, impacted by geopolitical tension
- RBA opened 37 BK café /Burger king stores in Q3FY24; Store count stood at 334/441 respectively as on Dec23 & already achieved 450+ restaurants count by FY24
- Delivery contribute 44% to top-line
- Offering more discount on dining than delivery to generate traffic
- Management is optimistic expect BK café to improve overall ADS and help in creating all day dining experience
- Management remain confident to open 700 stores by end of FY27, while due to multiple headwind factors cut SSSG to ~3% for FY24 & ~8% FY25 onwards.
- Management targets to maintain gross margin at 67% for FY24 and for FY25 there would be 2% increment.
- RBA executed very aggressive promotion on tasty meals priced at Rs99 & other value for money products which its focus is to build traffic and generate higher volume growth
- Digital app 'King Journey' expected to 100% rollout by FY25
- Management has larger focus to improve utilization and cost driven efficiency
- Advt. cost stands at 5% of net sales, it would be at a similar level in FY24, and going forward
- Key strategy would be (1) Rs99 meals strategy, (2) Best burger led by whopper, (3) Digital first channel and (4) engaging Gen-Z and millennials through brand communication, innovation and relevance

### BK Café Update

- Added 37 BK Cafés to reach at 334 as on Q3FY24
- BK Café Restaurants with total ADS of 14k for Q3FY24 earlier it used to be in range of 7k-8k.
- BK Café helps increase guest consumption frequency and upsell the menu

### Indonesia Update

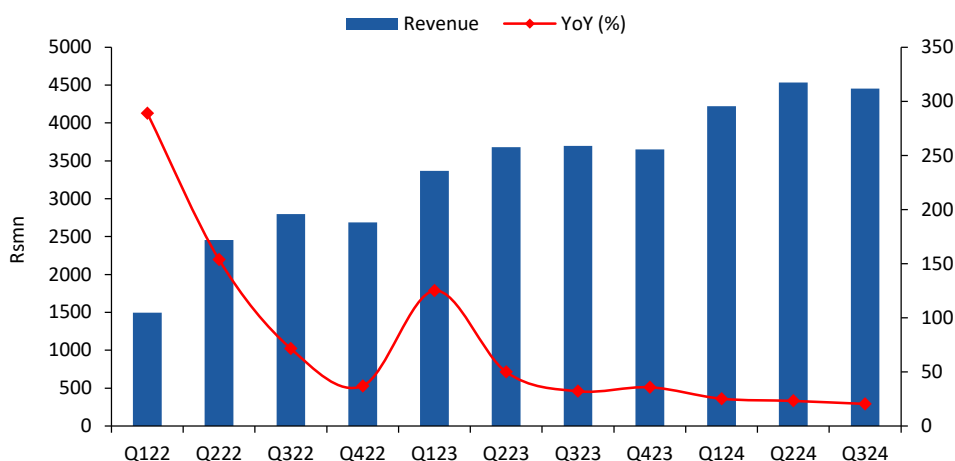
- Indonesia revenue remained flat at with 1.4% growth to Rs1.6bn, impacted by geopolitical tension
- Q3 FY24 ADS stood at IDR 17.8mn down YoY while ADS grew 34% on QoQ basis
- Popeyes ADS stood at IDR 23.3mn stabilizing after-market launch
- BK Store count stood at 162 while 1 underperforming store closed , 13 Popey stores open in quarter, store count stood at 25 by end of Dec23
- Restaurant EBITDA came at 1.3%, while company EBITDA loss came at Rs0.3 mn
- Attractive value offerings led by chicken BIC meals and Ala carte Burger promos
- Strategic growth pillars would be Building relevance of chicken menu, create leadership in burgers and dessert innovation
- BKI launched several initiatives like value menu to boost the volumes
- Management expects cash break even in Indonesia business by FY25 with the help of an improved ADS

- Focus will be on Chicken as 50% volume growth lead by chicken in Q3 FY24
- Management put hold on Burger king store expansion for next 12-24 months, while Popeyes improved store economics help in margin improvement

### Margins

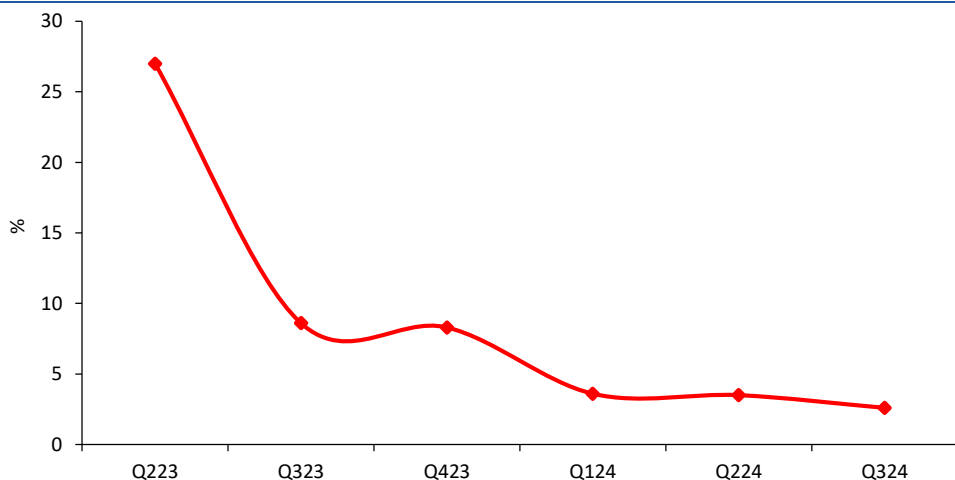
- Gross Margin improved to 67.1% (+76bp YoY/ +30bp QoQ) on back of softer input cost. Confident to maintain 67% gross margin even after offering discounts & value added products.
- Pre-INDAS company EBITDA stood at 6.8% (+260bp)
- EBITDA increased 47.9%YoY to Rs707.5mn despite higher Other exp. (+17.8%) and employee cost (+10.4%)
- EBITDA margin increased by 294bps YoY to 15.9%
- Company’s overall PAT loss was cut to Rs64.1mn vs Rs112mn loss last year despite higher interest expenses/depreciation by 27.4%/20.5%
- Pre-INDAS/Post Store EBITDA margin came at 12.2%/21.3% (+150/200bp) respectively  
PBT breakeven on Pre IND AS 116 basis for second consecutive quarter

**Exhibit 1: Quarterly standalone. net revenue growth – YoY**



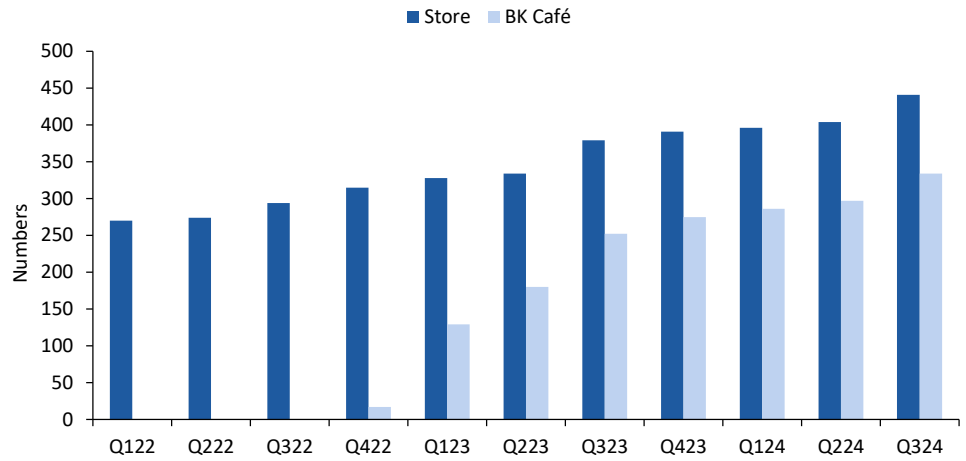
Source: Company Data, Centrum Broking

**Exhibit 2: Quarterly SSSG Trend**



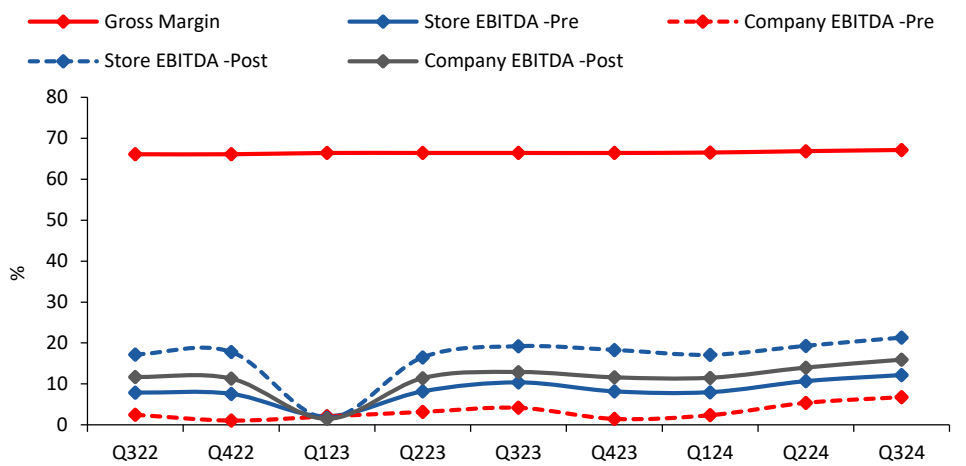
Source: Company Data, Centrum Broking

**Exhibit 3: No. of stores trend**



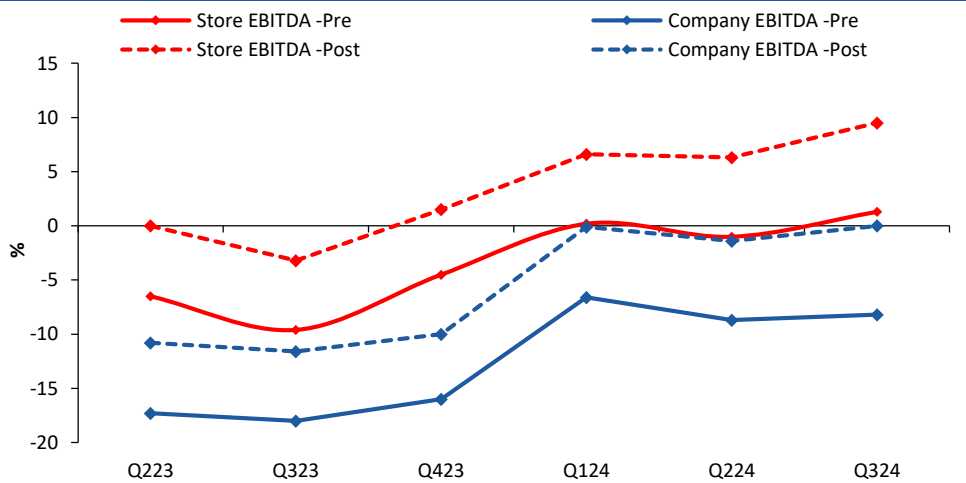
Source: Company Data, Centrum Broking

**Exhibit 4: Gross Margin, Pre & Post EBITDA trend**



Source: Company Data, Centrum Broking

**Exhibit 5: Indonesia Business Update –Margin recovery has started**



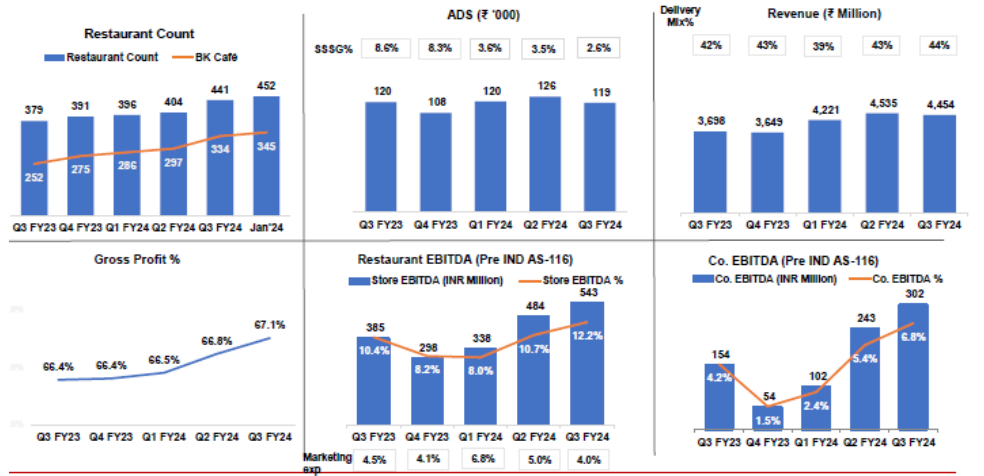
Source: Company Data, Centrum Broking

**Exhibit 6: Indonesia Business Update –ADS is going to improve**



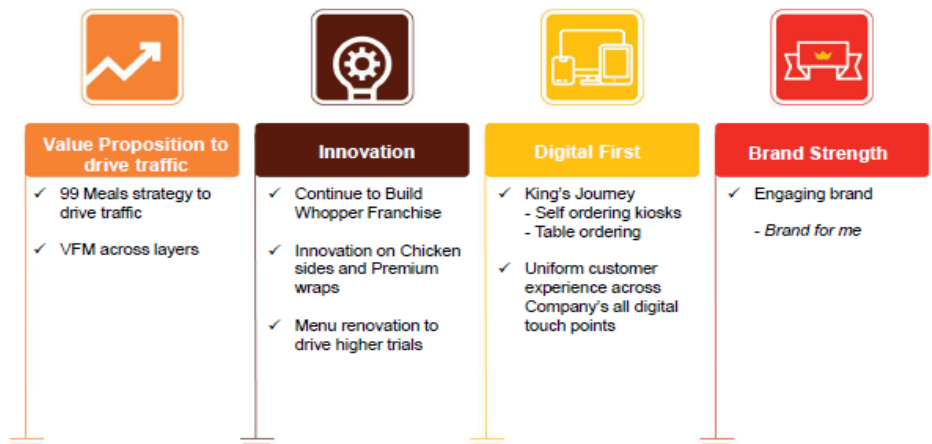
Source: Company Data, Centrum Broking

**Exhibit 7: Fast tracked store expansion; SSSG continue to be weaker**



Source: Company

**Exhibit 8: RBA growth strategy driven by four pillars**



Source: Company

**Exhibit 9: Building leadership using Value layer to drive traffic**



N	Burger King Meals	Offer Price
1	Crispy Veg Burger Meal	99
2	Makhani Veg Burger Meal	109
3	Veg Taco Meal	119
4	Crispy Chicken Burger Meal	149
5	Makhani Chicken Burger Meal	159
6	Chicken Taco Meal	169



- Continued Value for Money focus with INR 99 Tasty Meals Campaign
- Added price point of INR 149 for Chicken Meals
- Why 99 Meals?
  - Consumer research clearly points at meal deals as consideration driver
  - Gives us price parity in North and price leadership in West and South
  - Strengthens BK’s price leadership and value credentials
- Media strategy tweaks to include modern media choices and digital platforms to sharply isolate QSR users and conversions

Source: Company

**Exhibit 10: New marketing campaign building relevance**



- Drive Indian ness and Indian taste of Whopper and building a deeper regional connect with our guests
- Multi-lingual edit in 6 languages with local insights, actors and treatment
- Establish Whopper’s much loved taste with a fun banter amongst a Whopper non user and a Whopper lover
- Limited time trial offer
- Launched Boss Whopper LTO



Source: Company

**Exhibit 11: Menu innovation to generate new trails**



- Launched everyone’s favourite Crunchy Chicken Nuggets. The USP is the extra crunchiness of the nugget
- Renovated BK Chicken patty which has 50% more chicken to deliver better chicken experience to the guest

**Launched Premium Wraps**



Premium Wraps extended across restaurants in India

**Launched New Improved Muffins**



Strengthened Café Food/Dessert portfolio with launch of New Softer and Fluffier Muffins

Source: Company

**Exhibit 12: Expanding Bk Café footprint**



Source: Company

**Exhibit 13: Burger King Indonesia strategy**



Source: Company

**Exhibit 14: BK Indonesia focusing on relevance and credibility of chicken menu**

- **Winning Taste in Crispy Chicken, Spicy Chicken:** most relevant & familiar product in Indonesia
- **Permanent value layer:** Price leadership in Meal for 1 @ IDR 25K price, to gain share from chicken QSRs
- **Sustained results:** 1.5X AUVs, +21% Incidence

Source: Company



**Exhibit 15: Value offering across burger layers to drive transaction growth**

Value offering across burger layers to drive transactions and build APC



- **Convert high Brand Consideration into strong Trial**  
Entry Value promo @ IDR 17.8K  
Traffic Driver, Increased frequency  
Whopper equity, Value for money
- **Limited edition Whoppers**  
Consumer preference: Cheese favorite, Branded collaboration  
Whopper equity, Taste innovation
- **Sustained strong Performance: 1.35X AUVs, +11% Incidence led by Cheese Whopper Jr**
- **Premium Gold Collection**  
Multigrain brioche buns, premium patties  
Burger superiority, Build check
- **Sustained performance of LTOs, Premium burgers**

Source: Company

**Exhibit 16: Strong innovation – King Fusion**



- **Branded dessert flavours & Local favourites**  
KitKat, Nastar (Ramadan special), Blueberry, Milo, Nutella (Dec)
- **Building dessert layer**  
Indulgent desserts innovation every 2-3 months  
Promotions to drive incidence via add-ons upsell & incremental occasions
- **King Fusion: 2.35X AUVs, Incidence doubled**



Source: Company

**Exhibit 17: Quarterly financials**

Particulars (Rs mn)	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
Net Sales	2,454	2,799	2,687	3,369	3,680	3,698	3,649	4,221	4,535	4454
Cost of materials	849	950	911	1,133	1,237	1,243	1,227	1,415	1,504	1464
Gross Profit	1,605	1,849	1,776	2,236	2,443	2,454	2,422	2,806	3,031	2990
Employee Expenses	377	425	428	513	598	603	566	622	671	666
Other Exp	972	1,096	1,045	1,391	1,424	1,373	1,433	1,700	1,726	1617
Operating Profit (Core EBITDA)	256	328	302	332	421	479	423	485	634	707.5
Depreciation	334	344	351	461	426	434	481	507	494	522
EBIT	-78	-16	-48	-129	-6	45	-58	-23	140	185
Interest	167	168	178	196	206	220	274	264	273	281
Other Income	43	32	94	97	79	63	86	65	40	32
Profit Before Tax	-202	-152	-132	-227	-133	-112	-246	-222	-93	-64
Tax	0	0	0	0	0	0	0	0	0	0
Profit After Tax	-202	-152	-132	-227	-133	-112	-246	-222	-93	-64
Margin (%)										
Gross Margin	65.4	66.1	66.1	66.4	66.4	66.4	66.4	66.5	66.8	67.1
EBITDA	10.4	11.7	11.3	9.9	11.4	12.9	11.6	11.5	14.0	15.9
Adj. PAT	NA	NA	NA	NA	NA	NA	NA	NA	NA	N/A

Source: Company, Centrum Broking

**Exhibit 18: Brand financials**

Particulars	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
<b>India</b>										
ADS (Rs. in 000')	74	114	104	120	127	120	108	120	126	119
SSSG (%)	NA	NA	17.0	66.0	27.0	8.6	8.3	3.6	3.5	2.6
Restaurant Sales (Rsmn)	2,454	2,799	2,687	3,369	3,680	3,698	3,649	4,221	4,535	4,455
Total Restaurant	274	294	315	328	334	379	391	396	404	441
Gross Margin (%)	65.4	66.1	66.1	66.4	66.4	66.4	66.4	66.5	66.8	67.1
Restaurant EBITDA –Pre (%)	6.3	7.9	7.6	2.1	8.2	10.4	8.2	8.0	10.7	12.2
<b>Indonesia</b>										
ADS (Rs. in 000')	71	96	83	93	87	95	88	102	101	94
Restaurant Sales (Rsmn)	NA	NA	1,310	1,523	1,567	1,566	1,490	1,887	1,714	1,588
Total Restaurant	177	178	177	175	179	179	176	169	162	162
Restaurant EBITDA-Pre (%)	NA	NA	(6.5)	(0.3)	(6.5)	(9.6)	(4.5)	0.2	-1.0	1.3
Company EBITDA –Pre (%)	NA	NA	(14.6)	(8.8)	(17.3)	(18.0)	(16.0)	(6.6)	(8.7)	(8.2)

Source: Company, Centrum Broking

P&L					
YE Mar (Rs mn)	FY22A	FY23A	FY24E	FY25E	FY26E
<b>Revenues</b>	<b>9,396</b>	<b>14,371</b>	<b>18,443</b>	<b>22,803</b>	<b>27,834</b>
Operating Expense	4,687	10,462	8,548	10,364	12,567
Employee cost	1,540	2,280	2,735	3,466	4,189
Others	2,308	0	4,614	5,595	6,753
<b>EBITDA</b>	<b>902</b>	<b>1,654</b>	<b>2,546</b>	<b>3,378</b>	<b>4,325</b>
Depreciation & Amortisation	1,357	1,802	2,077	2,366	2,609
<b>EBIT</b>	<b>(455)</b>	<b>(148)</b>	<b>468</b>	<b>1,013</b>	<b>1,716</b>
Interest expenses	680	896	1,146	1,400	1,544
Other income	0	0	0	0	0
<b>PBT</b>	<b>(930)</b>	<b>(718)</b>	<b>(476)</b>	<b>(171)</b>	<b>394</b>
Taxes	0	0	0	0	53
Effective tax rate (%)	0.0	0.0	0.0	0.0	13.5
<b>PAT</b>	<b>(930)</b>	<b>(718)</b>	<b>(476)</b>	<b>(171)</b>	<b>341</b>
Minority/Associates	0	0	0	0	0
<b>Recurring PAT</b>	<b>(930)</b>	<b>(718)</b>	<b>(476)</b>	<b>(171)</b>	<b>341</b>
Extraordinary items	0	0	0	0	0
<b>Reported PAT</b>	<b>(930)</b>	<b>(718)</b>	<b>(476)</b>	<b>(171)</b>	<b>341</b>

Ratios					
YE Mar	FY22A	FY23A	FY24E	FY25E	FY26E
<b>Growth (%)</b>					
Revenue	90.7	53.0	28.3	23.6	22.1
EBITDA	501.7	83.4	53.9	32.7	28.0
Adj. EPS	(56.6)	(37.5)	(33.7)	(64.1)	nm
<b>Margins (%)</b>					
Gross	66.0	66.5	67.0	68.0	68.3
EBITDA	9.6	11.5	13.8	14.8	15.5
EBIT	(4.8)	(1.0)	2.5	4.4	6.2
Adjusted PAT	(9.9)	(5.0)	(2.6)	(0.7)	1.2
<b>Returns (%)</b>					
ROE	(7.1)	(3.7)	(2.6)	(0.9)	1.9
ROCE	(1.9)	0.9	3.6	6.5	8.9
ROIC	(2.5)	(0.6)	1.6	3.3	4.5
<b>Turnover (days)</b>					
Gross block turnover ratio (x)	0.8	1.0	1.2	1.3	1.4
Debtors	3	3	2	2	2
Inventory	13	12	12	12	12
Creditors	141	104	96	100	100
Net working capital	119	(14)	23	22	16
<b>Solvency (x)</b>					
Net debt-equity	(0.1)	0.0	0.0	0.0	(0.1)
Interest coverage ratio	1.3	1.8	2.2	2.4	2.8
Net debt/EBITDA	(1.2)	(0.1)	(0.2)	(0.2)	(0.4)
<b>Per share (Rs)</b>					
Adjusted EPS	(2.3)	(1.5)	(1.0)	(0.3)	0.7
BVPS	48.7	38.3	37.1	36.7	37.4
CEPS	1.1	2.2	3.2	4.4	6.0
DPS	0.0	0.0	0.0	0.0	0.0
Dividend payout (%)	nm	nm	nm	nm	0.0
<b>Valuation (x)</b>					
P/E	nm	nm	nm	nm	165.7
P/BV	2.3	3.0	3.1	3.1	3.1
EV/EBITDA	61.5	34.1	22.0	16.5	12.7
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0

Source: Company, Centrum Broking

Balance sheet					
YE Mar (Rs mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Equity share capital	4,927	4,946	4,944	4,944	4,944
Reserves & surplus	14,576	14,000	13,381	13,210	13,551
Shareholders fund	19,503	18,946	18,326	18,155	18,496
Minority Interest	0	0	0	0	0
Total debt	0	0	369	684	278
Non Current Liabilities	6,943	9,245	11,271	15,139	16,765
Def tax liab. (net)	0	0	0	0	0
<b>Total liabilities</b>	<b>26,446</b>	<b>28,190</b>	<b>29,966</b>	<b>33,977</b>	<b>35,538</b>
Gross block	11,220	14,849	15,339	17,848	20,279
Less: acc. Depreciation	0	0	0	0	0
Net block	11,220	14,849	15,339	17,848	20,279
Capital WIP	107	269	263	263	785
Net fixed assets	11,681	15,711	15,909	18,393	21,344
Non Current Assets	0	0	0	0	0
Investments	11,690	13,041	12,871	14,193	12,947
Inventories	135	192	217	260	314
Sundry debtors	92	115	111	137	168
Cash & Cash Equivalents	1,063	146	847	1,333	1,827
Loans & advances	4,023	1,469	3,105	3,415	3,415
Other current assets	215	226	235	237	225
Trade payables	1,358	1,391	1,796	2,200	2,650
Other current liab.	1,053	1,252	1,488	1,745	2,004
Provisions	42	64	44	46	48
Net current assets	3,074	(562)	1,186	1,392	1,247
<b>Total assets</b>	<b>26,446</b>	<b>28,190</b>	<b>29,966</b>	<b>33,977</b>	<b>35,538</b>

Cashflow					
YE Mar (Rs mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Profit Before Tax	(930)	(718)	(476)	(171)	394
Depreciation & Amortisation	1,357	1,802	2,077	2,366	2,609
Net Interest	680	(3)	1,146	1,400	1,544
Net Change – WC	606	(56)	406	349	545
Direct taxes	0	(52)	0	0	(53)
<b>Net cash from operations</b>	<b>1,514</b>	<b>1,621</b>	<b>3,840</b>	<b>4,119</b>	<b>5,227</b>
Capital expenditure	(2,882)	(2,818)	(2,303)	(4,850)	(5,561)
Acquisitions, net	0	0	0	0	0
Investments	(13,862)	2,655	(1,617)	(1,542)	1,354
Others	(35)	(254)	(51)	(82)	(82)
<b>Net cash from investing</b>	<b>(16,779)</b>	<b>(416)</b>	<b>(3,971)</b>	<b>(6,474)</b>	<b>(4,289)</b>
<b>FCF</b>	<b>(15,265)</b>	<b>(1,845)</b>	<b>850</b>	<b>(907)</b>	<b>(521)</b>
Issue of share capital	13,698	0	(144)	0	0
Increase/(decrease) in debt	1,148	(1,290)	2,095	4,241	1,101
Dividend paid	0	0	0	0	0
Interest paid	(680)	0	(1,146)	(1,400)	(1,544)
Others	0	85	28	0	0
<b>Net cash from financing</b>	<b>14,167</b>	<b>(1,205)</b>	<b>833</b>	<b>2,842</b>	<b>(444)</b>
Net change in Cash	(1,098)	(1)	701	486	494

Source: Company, Centrum Broking

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**Restaurant Brands Asia Ltd**



Source: Bloomberg

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