



JUBILANT FOODWORKS LIMITED

ISIN CODE: INE797F01012

BSE: 533155

NSE: JUBLFOOD

CMP: 3700.65

OVERVIEW

 Wed, 01st Dec '21

- Jubilant Foodworks Ltd has exclusive rights to operate the Domino's Pizza brand in India, Nepal, Bangladesh, and Sri Lanka.
- The company also has the rights to Dunkin Donuts in India, where it positions the brand as a food cafe that includes burgers, wraps, and sandwiches in addition to donuts and beverages.
- Virtually all of the company's revenue is generated in India, where the company has more than 1,000 Domino's Pizza restaurants and close to 100 Dunkin Donuts locations.
- Pizza sales account for roughly three quarters of the company's total revenue.

KEY STRENGTH

- It is the largest food service Company in the Country.
- Has one of the most effective and far-reaching delivery models in the Country.
- First QSR brand to introduce Zero Contact Delivery and also extended it later to Zero Contact Takeaway, and Zero Contact Dine-in.

BUSINESS STRATEGY

- Strengthen Channel Play:** Going forward, the takeaway channel will be focused upon more aggressively.
- Build Digital Strength:** focused on adding other language support across apps to make the experience more welcoming, personalised and seamless.
- Focus on Innovation and Value:** Increased focus on innovation to bring more variety and excitement into the proposition as well as strengthen operations.
- Grow International:** International business delivered healthy performance, with encouraging sales recovery and profitability.
- Expand new brand Portfolio:** Strategy is to offer the widest variety of choice to customers.

ACHIEVEMENTS

- 146 new stores opened across all brands.
- Opened 134 Domino's Pizza restaurants with 50 restaurants opening each in Q3 and Q4 FY 2021 – highest restaurant addition in a quarter.
- Announced multi-country master franchisee agreement with Popeyes®.

GROWTH DRIVERS

- Younger Demographics:** India has the highest number of millennials globally, and the population is expected to grow faster than other groups.
- Increased Participation of Women Workforce:** Due to participation of women in the workforce have increased, families order more multi-cuisine food via online channels.
- India-centric Offerings and Value Pricing:** Valueconscious Indian customers found interest in combos and value meals common across QSR chains.
- Online Food Ordering and Food Delivery:** Factors driving growth include encouragement from development in the online ecosystem, attractive campaigns and discounts, range of new offerings and cashback offers.

FINANCIAL HIGHLIGHTS

- Revenue from Operation decreased to Rs. 326,887 lakhs in FY21 as compared to Rs. 388,587 lakhs in FY20.
- EBITDA has also decreased to Rs. 76,655 lakhs in FY21, compared to Rs. 87,708 lakhs in FY20.
- Net Profit decreased from Rs. 27,454 lakhs in FY20 to Rs. 27,545 lakhs in FY21.
- EPS also decreased to Rs. 17.71 in FY21, against Rs. 20.87 in FY20.
- However Net worth has increased to Rs. 149,713 lakhs in FY21, as compared to Rs. 118,294 lakh in FY20.

Disclaimer: The analysis is only for information purposes only. Please consult your financial advisor, agent and broker before acting on any information. We may or may not have positions in the stock. We would not be responsible for the profit/loss resulting from this analysis.

Growth Rates % (Compound Annual)	1 Yr	3 Yr	5 Yr	10yr
Revenue	-15.8	3.0	6.2	17.1
Operating Income	-23.7	12.8	24.1	15.9
Earnings/Share	-17.3	5.7	19.0	12.3
Dividends	-	-	-	-
Book Value/Share	27.2	13.8	13.3	22.0
Stock Total Return	48.7	44.3	54.1	24.7
Market +/-	25.8	29.9	44.2	15.9

Valuation Ratio	Current	5Yr Avg	Ind	Mkt.
Price/Earnings	118.4	118.0	-	15.1
Forward P/E	82.0	-	-	-
Price/Cash Flow	56.6	45.2	-	10.0
Price/Free Cash Flow	97.6	1047.3	-	-
Dividend Yield %	0.2	0.2	0.1	2.7
Price/Book	29.0	16.2	16.4	2.1
Price/Sales	12.1	5.0	9.4	-

Profitability Ratio	Current	5Yr Avg	Ind.	Mkt.
Return on Equity	29.6	20.0	-6.4	16.4
Return on Asset	11.1	11.0	-2.6	6.3
Gross Margin	58.5	54.5	52.7	-
Operating Margin	17.0	10.2	2.9	-
Net Margin	10.2	6.4	-4.5	23.4
Inventory Turns	14.9	19.8	16.2	-
Fixed Asset Turns	1.9	3.1	1.2	-

Financial Position (INR)	03-20(Mil.)	03-21 (Mil.)
Cash	557	525
Inventories	1,331	1,370
Receivables	—	—
Current Assets	8,382	8,288
Fixed Assets	21,989	22,974
Intangibles	388	474
Total Assets	37,668	41,527
Payables	6,452	5,268
Short-Term Debt	5	5
Current Liabilities	8,613	8,553
Long-Term Debt	—	—
Total Liabilities	23,306	24,297
Total Equity	14,268	17,117

Source: Company filings & Analyst Research