

Name of the Company



KEY IPO Highlights

Subscription Period:
2nd Dec, 2020 to 4th Dec,
2020

Issue Size: 135 Mn shares
(aggregating to INR 810 Crs)

Price Band: INR 59 to 60
Lot Size: 250 shares

Listing Date: 14th Dec, 2020

About the Company

- One of the fastest growing quick service restaurant in India.
- Burger king is the second biggest fast food burger brand with 210+ restaurants and 8 franchised restaurants.
- On a global level, Burger king has a network of 18500+ restaurants spreading over 100 countries.
- QSR Asia Pte. Ltd is the promoter of the company.

Objects of the Issue:

- Repayment or prepayment of outstanding borrowings of our Company obtained for setting up of new company-owned Burger King Restaurants;
- Capital expenditure incurred for setting up of new Company-owned Burger King Restaurants and other general corporate purposes.

Financial Overview (INR Million)

| Particulars | Sep-20 | Mar-20 | Mar-19 | Mar-18 |
|---------------|------------|-----------|----------|----------|
| Total Assets | 11,771.18 | 11,977.07 | 9,204.72 | 7,303.55 |
| Total Revenue | 1,516.54 | 8,468.29 | 6,441.30 | 3,887.37 |
| PAT | (1,189.46) | (765.70) | (382.79) | (822.32) |

EV / Sales Multiple

| | |
|--------------------------|-----|
| Burger King EV / Sales | 2.2 |
| Dominos Pizza EV / Sales | 8.6 |
| McDonalds EV / Sales | 5.0 |

Recommendation from major brokerage houses

SUBSCRIBE



NEUTRAL



Kreo Capital Opinion

- With the current state of this Industry, we take a Neutral to Negative stand on this IPO
- From the long term perspective it would be wise to wait and see if the company is able to obtain sustainable debt to equity ratio and show signs of recovery .

Highlights:

- Discounted valuation compared to listed peers.
- EBITDA margin expected to increase in coming years.
- The losses in PAT figures are primarily due to Depreciation.
- Most of the brokerage houses have either given a neutral or subscribe recommendation.

Disclaimer: The recommendations stated above are given by individual advisors (including Kreo Capital). Investors are advised to consult their financial advisor and do their own due diligence before subscription.