



**WESTLIFE DEVELOPMENT DELIVERS A STRONG YEAR AMIDST CHALLENGES –  
REVENUE GOES UP BY 10.4%, RECURRING PAT SURGES BY 71.9%**

**FINANCIAL HIGHLIGHTS FOR YEAR ENDED MARCH 31, 2020:**

- The reported cash profit for the year stands at ₹ 1,340.6 million, up by 23.6%.
- Restaurant Operating Margins grows by 11.9% YoY; Operating EBITDA surges by 15.8%
- 24 new restaurants added taking the total restaurant count to 319 across 42 cities
- 33 new McCafé's added, taking the total count to 223
- Added 48 delivery hubs, taking the total count to 264

**Mumbai, June 11, 2020:** Westlife Development Limited (BSE: 505533) ("WDL"), owner of Hardcastle Restaurants Pvt Ltd ("HRPL"), the Master Franchisee of McDonald's restaurants in West and South India, announced audited financial results for the year ended March 31, 2020. The results were taken on record by the Board of Directors at a meeting held today.

Through the year, Westlife Development continued executing its long-term strategy grounded in consumer insights that enabled the company to remain relevant to the fast-evolving customer. As a result, despite the challenging economic environment and COVID-19 led business disruptions, the company reported a robust annual revenue growth of 10.4% with its PAT surging by 71.9%. The company's annual revenue increased to ₹ 15,477.6 million with an annual SSSG of 4.0%. The reported cash profit for the year stood at ₹ 1,340.6 million, up by 23.6%. Driven by enhanced operating and supply chain efficiencies, the company's Restaurant Operating Margins grew by 11.9% YoY, while the annual operating EBITDA clocked a growth of 15.8% to ₹1,439.3 million.

During the year under review, WDL focused on delivering unparalleled value and customer experience. The company re-energized its value platform – McSaver and continued the aggressive rollout of its Experience of The Future (EOTF) restaurants. With compelling offerings across all day-parts and occasions including snacks, coffee, meals, breakfast, desserts and delivery, the company consolidated its position as a 'One for All and All for One' destination.

The onset of the COVID-19 pandemic brought forth the agility and customer forward strategies of Westlife Development. The company anticipated consumers' need for assurance and convenience and was among the first companies to launch 'Contactless Delivery'. It stepped up its already stringent hygiene and safety practices across its operations and ensured that similar processes were also being followed by the suppliers at their end. At the same time, the company took all possible measures to bring down fixed costs, further enhance operational efficiencies and conserve cash.

**Commenting on the financial results for the year ended March 31, 2020, Mr Amit Jatia, Vice-Chairman of Westlife Development Limited said**

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As the states get ready to ease the lockdown, Westlife Development has launched 'Contactless Take out' and implemented a 42-point checklist across its dine-in, delivery and take-out to ensure highest standards of food safety and hygiene across all channels. It has also activated other convenience channels such as drive-thru and on-the-go pick up.

In FY20, WDL expanded its footprint and opened 24 new restaurants, taking the total restaurant count to 319. The company added 33 new McCafés taking the total number to 223. The in-house coffee chain grew to become the second-largest coffee chain by units in the region. It also achieved the milestone of serving more than 10 million cups of coffee.

McDelivery charted a phenomenal trajectory and emerged as one of the most critical growth drivers for the company. With 264 McDelivery hubs and strong relationships with food delivery aggregators, the company is well positioned to capture delivery market that's poised to explode in the post-COVID new normal.

Through FY20, WDL continued to leverage technology to enhance customer experience as well as to maximize operational efficiencies. The company has been weaving technology across its operations with an aim to become a food-tech company. The company also leveraged technology enable contactless takeout and deliver added convenience and assurance to its customers.

As the Government announced the nation-wide lockdown, WDL enabled 'Work From Home' for the entire organization, including the frontline restaurant staff. This ensured that close to 10,000 young people of the country remained gainfully engaged through the lockdown while getting an opportunity to upgrade and upskill. The company also partnered with several NGOs to deliver safe and hygienic food to frontline warriors and communities most affected by the lockdown under its 'Meals for Good' program. It reached out to over 56,000 people across 6 cities.



WESTLIFE DEVELOPMENT LIMITED										
Comparable Operating Performance (Consolidated)										
Excludes impact of IND AS 116										
Particulars	Current year (Adjusted)		Previous year (Adjusted)		Growth YoY	Current Year (Adjusted)		Previous Year (Adjusted)		Growth YoY
	For the Quarter ended March 31, 2020		For the Quarter ended March 31, 2019			For the year ended March 31, 2020		For the year ended March 31, 2019		
	Amount	%	Amount	%	%	Amount	%	Amount	%	%
Revenues										
Q / q	3,327.7		3,336.4		(0.3)%	15,383.4		13,887.0		10.8%
g / q	34.7		55.3		(37.2%)	89.5		129.0		(30.7%)
	3,362.4		3,391.7		(0.9%)	15,472.9		14,016.0		10.4%
J g ffl q J q	1.1		1.1		0.0%	5.0		4.4		
	3,363.5		3,392.8		(0.9%)	15,477.9		14,020.4		10.4%
Operating Costs and Expenses										
Restaurant Operating Cost and Expenses										
	1,158.0	34.4%	1,238.5	36.5%	(6.5%)	5,382.4	34.8%	5,115.9	36.5%	5.2%
J / q	437.1	13.0%	377.6	11.1%	15.7%	1,690.0	10.9%	1,453.4	10.4%	16.3%
J	152.9	4.6%	153.8	4.5%	(0.6%)	706.0	4.6%	641.4	4.6%	10.1%
g w q q ffl	1,253.6	37.3%	1,159.9	34.2%	8.1%	5,436.8	35.1%	4,788.0	34.2%	13.6%
	3,001.6	89.2%	2,929.8	86.4%	2.5%	13,215.2	85.4%	11,998.7	85.6%	10.1%
	361.9	10.8%	463.0	13.6%	(21.8%)	2,262.7	14.6%	2,021.7	14.4%	11.9%
g ffl ffl q	-	0.00%	-	0.00%		-	0.00%	-	0.00%	



w q q										
J q w q q	177.3	5.3%	197.6	5.8%	(10.3%)	823.4	5.3%	779.1	5.6%	5.7%
<b>Total Operating costs and expenses</b>	<b>3,179.0</b>	<b>94.5%</b>	<b>3,127.5</b>	<b>92.2%</b>	<b>1.7%</b>	<b>14,038.6</b>	<b>90.7%</b>	<b>12,777.8</b>	<b>91.1%</b>	<b>9.9%</b>
	<b>184.6</b>	<b>5.5%</b>	<b>265.4</b>	<b>7.8%</b>	<b>(30.4%)</b>	<b>1,439.3</b>	<b>9.3%</b>	<b>1,242.6</b>	<b>8.9%</b>	<b>15.8%</b>
g w q q	(15.2)	(0.5%)	(35.7)	(1.1%)	(57.5%)	(127.0)	(0.8%)	(147.5)	(1.1%)	(14.0%)
qq q J q J q q	28.9	0.9%	24.3	0.7%	19.3%	58.6	0.4%	63.8	0.5%	(8.4%)
	<b>170.9</b>	<b>5.1%</b>	<b>276.8</b>	<b>8.2%</b>	<b>(38.3%)</b>	<b>1,507.7</b>	<b>9.7%</b>	<b>1,326.3</b>	<b>9.5%</b>	<b>13.7%</b>
w q J q q g fflq	31.1	0.9%	49.2	1.5%	(36.8%)	148.5	1.0%	177.3	1.3%	(16.2%)
	219.6	6.5%	210.0	6.2%	4.6%	865.7	5.6%	797.2	5.7%	8.6%



**Note:** As a part of the Indian Accounting Standards adoption, impact of IND AS 116 is given below:

1. No economic impact on business operations
2. Rent Expenses are lowered and instead considered under additional depreciation and finance cost
3. EBITDA Increases due to lower rent expenses accounting
4. Depreciation increases due to amortisation cost of Right of Use Assets created under IND AS 116
5. Finance Cost increases due to charge on lease liability created under IND AS 116
6. IND AS 116 adjustments are not considered for Tax computation
7. Net Profit decreases due to increase in Depreciation and Finance Costs as mentioned in Note 2 above
8. Cash Profits increase due to higher depreciation charge
9. Net Impact on Cash Flow is NIL

Reconciliation of reported and comparable operating performance excluding impact of IND AS 116					
(Rs. in millions)					
Particulars	A Current year ended March 31, 2020 (Adjusted)	B Changes due to Ind AS 116 increase / (decrease) **	C Current year ended March 31, 2020 (Reported)	D Quarter ended March 31, 2019 (Reported)	(A over D) YoY Growth %
Occupancy and other operating expenses	5,436.8	(748.5)	4,688.3	4,788.0	13.6%
<b>Restaurant Operating Margin</b>	2,262.7	748.5	3,011.2	2,021.7	11.9%
General and Administrative Expenses	823.4	-	823.4	779.1	5.7%
<b>OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)</b>	1,439.3	749.3	2188.6	1,242.6	15.8%
Finance Costs	148.5	659.6	808.2	177.3	(16.2%)
Depreciation and amortisation expense	865.7	518.0	1,383.6	797.2	8.6%
<b>Profit before tax</b>	493.5	(428.3)	65.2	351.8	40.3%
Deferred Tax	6.0	(111.1)	(105.1)	125.0	(95.2%)
Income Tax	121.6	7.7	129.3	13.9	(774%)
<b>Recurring Profit After Tax</b>	365.9	(324.9)	41.0	212.9	71.9%

**\*\* Adjustments arising out of Ind AS 116**

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