JFL/NSE-BSE/2026-27/50

August 20, 2026

BSE Limited
P.J. Towers, Dalal Street
Mumbai – 400001

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra(E), Mumbai – 400051

Scrip Code: 533155

Symbol: JUBLFOOD

Sub: Transcript of Conference Call

Ref: Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Dear Sir/Madam,

In continuation to our letter no. JFL/NSE-BSE/2026-27/48 dated August 13, 2026 and pursuant to Regulation 30 of the Listing Regulations, please find enclosed herewith the Transcript of Conference Call for Analysts and Investors held on Wednesday, August 13, 2026 for Q1FY27 results.

The above details will also be available on the website of the Company at www.jubilantfoodworks.com under Investor Relations section.

This is for your information and records.

Thanking you,
For **Jubilant FoodWorks Limited**

MONA AGGARWAL
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“Jubilant FoodWorks Limited
Q1FY27 Earnings Conference Call”
August 13, 2026

MANAGEMENT: **MR. SHYAM S. BHARTIA – CHAIRMAN & DIRECTOR**
MR. SAMEER KHETARPAL – CEO & MD
MS. SUMAN HEGDE – CHIEF FINANCIAL OFFICER
MR. APAR – HEAD OF INVESTOR RELATIONS

NOTE: THIS TRANSCRIPT HAS BEEN CORRECTED FOR READABILITY, CLARITY AND ACCURACY AT SOME INSTANCES.

Moderator: Ladies and gentlemen, good day, and welcome to the Q1 FY27 Earnings Conference Call hosted by Jubilant FoodWorks Limited. As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star and then zero on your touch tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Apar, Head of Investor Relations at Jubilant FoodWorks. Thank you, and over to you, Mr. Apar.

Apar: Thank you so much, Sagar. Welcome to Jubilant FoodWorks Q1 FY27 Earnings Call for investors and analysts. We are joined today by senior members of the management team, including our Chairman, Mr. Shyam S. Bhartia, our CEO and MD, Mr. Sameer Khetarpal, and our CFO, Ms. Suman Hegde.

Please note that this earnings call is scheduled for a duration of 45 minutes, and we will commence directly with the Q&A session. Along with the Q1FY27 financial results, we have released a letter to our shareholders in which we have shared our outlook and have already answered certain pertinent questions about the performance. Hence, the participants are requested to limit the scope of discussion to only strategic questions and the count of questions to only 2.

If you wish to seek any accounting clarification, kindly get in touch with the Investor Relations team later. A cautionary note before we move ahead. Some of the statements made on today's call would be forward looking in nature, and the actual results may vary from such statements. I will now hand over the call to the moderator to begin the Q&A session.

Moderator: Thank you very much. We will now begin with the Q&A session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question comes from the line of Kunal Vora with BNP Paribas. Please go ahead.

Kunal Vora: Thanks for the disclosure on Popeyes. So I just wanted to understand the acceleration in LFL growth from 9.2% in 1QFY26 to 45% in 1QFY27. What's driving it and when does this normalize and what level do you expect it to normalize at?

Sameer Khetarpal: So, Kunal, firstly, I think just stepping back, Popeyes definitely has become a second growth engine for Jubilant FoodWorks, and we genuinely believe the work that the team has done to take Popeyes, which is a relatively lesser known brand in India, but very popular in the US and is the second largest brand after Chick-fil-A.

So it has overtaken multiple fried chicken competitors in its market. On the back of 3 things which we have replicated in India. Firstly, a superior product through a better marination process, the fresh chicken, and supported by a very strong supply chain of Jubilant FoodWorks. So, firstly, it is that pieces are intact.

Second is we've built the brand very assiduously in terms of flavors, launching wings, and product innovation that differentiates brand relative to the competition.

And third is the execution on store opening has been very, very good in the last 3 quarters or 4 quarters. So these 3 structural tailwinds or structural factors are giving us 40%-45% growth rate.

As you see, the ADS is still behind the number one player in the market, right? And we believe, we should surpass that. The brand has legs to even go beyond it. That's how we are viewing it. I would want this number of 45% to be there forever, right, if wishes were horses.

So we are not taking a view on this will normalize to 10% or 9%. That's not how we are thinking. Our first goal is to make sure that our average daily sales are materially higher than even where we are today.

Kunal Vora: So, what I was trying to understand is like, how did 9% become 45%? So what action resulted in a significant acceleration?

Sameer Khetarpal: Same thing.

Kunal Vora: Okay, same thing.

Sameer Khetarpal: So, Kunal, same thing. Superior product, better store execution, and differentiating the marketing story and the culinary story on more flavors. And things like, we have 6 flavors of chicken wings, right? Very few players in the world are able to do it, right, and with different sauces. Similarly, we obsess about buns, right, and the amount of time the team has spent on buns.

So as a result, customer experience in product satisfaction is among the highest in the world in Popeyes, it's not a big brand in 90 countries, but still whatever 30-40 countries it is present in, it is among the best or top quartile among the 30-40 countries that Popeyes is present in. So that's been the simple recipe for 40% growth.

Kunal Vora: Understood. Second question, your employee cost per store does not seem to have increased in the last year. Like there will be wage inflation, minimum wages have increased. Can you help us understand that? And lastly, also if you can comment on capex, what's the number been for this quarter as well as what do you expect for FY27? That’s it from me.

Suman Hegde: I'm just trying to understand where you're reading the numbers from. Because we've seen a 12% increase in personnel costs on the standalone basis and about 15.6% on the consolidated basis year-over-year. So which number are you referring to?

Kunal Vora: I'm looking at on a per-store basis. I was looking at like per-store basis employee cost, because your store count also has gone up by similar number, right?

Suman Hegde: Yes, let me give you some flavor on what we do. So yes, if I look at a per-store basis, now there are headwinds. Okay, let me come back. There are headwinds on the cost. There are headwinds on account of minimum wages. There's headwind also on account of some of the new stores that we open from an absolute point of view.

Having said that, our productivity in store, right? Even we have spoken about this in the previous calls as well. Our productivity in terms of what we measure of orders per hour that person can do in the store has materially improved, which kind of brings down our cost within the store while the absolute can go up.

So that's one of the key factors for bringing the per-store personnel cost down. But if I look at an overall headwind in terms of wage increase, wage bill increase, and in terms of what we have seen on overall stores increase that we have seen, that of course is down.

Sameer Khetarpal: I think this includes supply chain headcount also. Marginally, right? We're getting leverage over there as more stores come in, and also, we've driven productivity. So there is a combination of factors, but rate has gone up for labor per hour.

Kunal Vora: Understood. Okay. And lastly, if you can comment on capex for the quarter and for the full year, what is the expectation sir?

Suman Hegde: I think we've already given the expectation. We don't give it by quarter. So for the full year, I think we have indicated last time as well, the guidance has been in the range of INR750 crores to INR900 crores, which has been what we have spent in the previous couple of years as well, and we continue to maintain that number for now. Of course, the profile of that capital, like, I want to reiterate, is now more indexed on investments behind new store expansion.

Now, of course, Domino's, but now with Popeyes also becoming huge, so that's also coming in to have a play there. Our existing store network, as it becomes larger, with the base going up, we will continue investing behind it, we have spoken about last quarter on how dine-in is an important metric for us, and hence there will be investment behind our existing stores to ensure we give the right customer experience out there.

And then the large third bucket is our technology investments that we will continue to put behind, because we do believe that's a key vector of differentiation versus the competition where the consumer also currently plays. So this is where it is. The supply chain investments are materially down from what it used to be a couple of years ago, which means that the overall capex as a percentage of turnover will continue to improve given we're maintaining the absolutes to where they were over the last couple of years.

Kunal Vora: Understood.

Suman Hegde: Does that answer your question?

Kunal Vora: Yes.

Moderator: Thank you. Our next question comes from the line of Vivek M. with Jefferies. Please go ahead.

Vivek M: Hi, good evening, Sameer and team. Sir, 2 questions, first is on the dine-in bit, what you have mentioned about the new leader, 400 stores, etcetera. Can you just elaborate? And you have also indicated there is some early success you have seen, but one needs to be patient. Can you just talk about a bit more about what exactly you are doing there? What is the level of intervention and investment that you will do? And what is ultimately, when you say sustainable growth, what is it that you expect from the dine-in format?

Sameer Khetarpal: Yes. So, Vivek, firstly, I think the playbook that we are building is, or even at a higher level, the mental model over here is, we care about this channel, especially with 2,500 neighborhood stores with high density. We have to continuously iterate the service. At a very high level, Domino's became, started giving free delivery, then aggregators moved to INR99 minimum order value and free above that, and now to INR49.

So coming into the store, the proposition needs to be sharper, right, for a customer to leave the home and the convenience of home and battle the traffic, et cetera, park their vehicles and come to the store and collect their order or order there, is we understand there are more admin than what they were 2 years ago.

So what we are doing is, we are very carefully segmenting our stores into which are in more dine-in clusters, where we already have existing dine-in on High Street, where the dine-in share is higher relative to others, mall stores, food court stores, university campuses stores, and the other stores which are becoming more and more delivery first.

We recognize Domino's is a delivery-first brand, and I assume as much as pizza comes to mind when you say Domino's, delivery is also the second word that you associate with the brand. Specifically, what we've done is we've built an organization or channel team which focuses on dining takeaway, under a very able leader and who can think about marketing, operations, and also business segment. So, that's the first thing we've done.

As we speak, we are almost built our regional organization for this channel so that we can focus on this particular piece. There are specifically 3 pillars for this. Number 1 is the basics of service, which is speed of service, product quality, accuracy, and store experience, which we want to be functional. Each store is being tracked. There is a mystery audit which is being done, and that score we see improving.

Secondly, this channel continues to be an acquirer of new customers, and therefore we need to give new customers to leave the comfort of their home and come to the store, so 2 specific offers. So we have a Best Deals Ever Wednesday. That proposition is only available on Wednesdays inside the store where there are food abundance and buy more, get more type of deals. We are doing partnerships with other players, which like payment players and aggregators, to drive traffic to the stores.

And third is where we are working on differentiated menu, which is focused on solo occasions. And when we looked at this and did the analysis, the solo occasions, which were less than INR250 ticket size, saw the maximum drop. And why did they see the maximum drop? Because the minimum order value across the board has come down to Rs. 99 and Rs. 49.

So these numbers used to be Rs. 350, just as a reference, that above Rs. 250, Rs. 300, the delivery was free, and below was you had to pay for delivery. Now that number is Rs. 99 / Rs. 49, and therefore we have to come up with product propositions which are available all day, but can't be availed on delivery, and give renowned value to customers. So that's the playbook, the 3-pillar playbook that we are following. And early results, we've been able to, at least on Wednesday, we've been able to reverse the trend, and we see growth and then some other work is going on.

So again, we are not saying that we have climbed Mount Everest. We know we have started the journey. It is a little farther away till we come. The first goal is to stop the bleed, right? Because if we are growing at 8%-9% on delivery, can we just hold flat from an LFL perspective on dine-in and takeway. If you do that, then we know we can far exceed the guidance that we have given on our LFL.

Vivek M: Got it. And on your LFL, second question, Sameer, you have mentioned that the quarter has started on a positive note. It has been better than what it was in the first quarter. Can you just guide us in terms of how the progress will be? Because your base of LFL starts getting better from second quarter and further dips in third and fourth quarter. Do you think for rest of the year you can get to 5%-7% growth that you have guided in the past?

Sameer Khetarpal: Yes, absolutely and that's the endeavor, Vivek. And see, even if you look at Q1FY27 where we grew 2.5% and the corresponding number in the previous year was 11.6%. So if you total up the 2, it is about 14.1% . So again, if you divide that by 2, a simple average takes you beyond 7%, right?

So that's what we are attempting. We are building a business of 5% to 7% as bases get corrected. And you will see for last 2 quarters that we've been in that ballpark range. And therefore, 0.5% in Q4FY26, at 2.5% in Q1FY27, and we believe Q2FY27 will be better than Q1FY27.

Vivek M: Got it. Thank you and wish you all the best.

Sameer Khetarpal: Thank you.

Moderator: Thank you. The next question comes from the line of Tejas Shah with Avendus Spark Institutional Equities. Please go ahead.

Tejash Shah: Hi. Thanks for the opportunity. Sameer, you had called out earlier that the whole plan on Popeyes will be to balance the 3 deliverables such as ADS, gross margin, and consumer experience. Now looking at what we have achieved in last few quarters, would one say that you have crossed that hump and now it's all about acceleration and execution on ground in terms of scaling up the franchise?

Sameer Khetarpal: Thank you for remembering that. Firstly, I'm glad that you remember. Yes, these were the 3 goals the teams are tasked on, average daily sales, gross margin, and distinctive consumer experience. Now why gross margin is important is because that shows that you have pricing power or not, right?

And while I see several opportunities on gross margin because the scale is still low at 90 stores, logistics cost and conversion cost and buying cost, whatever leverage you get from Domino's, I think still there are opportunities.

Having said that, so what's the next Rubicon to cross. Like I said, the ADS needs to be much higher. I don't like anything less than 100K. Glad to report that there are 7 cities which are above 100K for the full quarter. So we need to be much higher than that. If the product is distinctive, it needs to command the pricing and the volume per store.

And then the part around unit economics which is we are able to see restaurant level profitability in multiple stores, but marketing costs are high. Like I said, at about Rs. 100 crores of revenue, we invested in a team which will take us to Rs. 1,000 crores.

So some of those costs will get amortized as we scale, and getting to EBITDA profitability is the next challenge in front of the team. So that's what we are focused on. And the journey that actually has been faster than what we had anticipated earlier.

Tejash Shah: Great. another recap question. In our analyst meet 15 months back, we had also highlighted one commitment or one goal rather, that we'll go for free cash flow maximization by using dynamic capital allocation.

So, any thoughts on that, because we are kind of committed to high capex, we are cycling through that base level. So just wanted to know where do we see that maximization coming from, let's say, next 2 years or 3 years?

Sameer Khetarpal: I think I will give my high-level answer and Suman can give more specifics on it. So certainly we are very conscious of that, Tejas, and therefore I'll give a few examples. We did not invest in Hongs at all. We, in a large category like coffee, have said that we will not play at all. And therefore let go of Dunkin.

So these are examples where we believe, we have painfully taken capital allocation decisions and moved capital to businesses where the higher ROI will be there. Secondly, we believe the investments in supply chain are way past our peak.

And while we commissioned the Mumbai food factory in March and some bit is yet to be commissioned, but from a cash flow standpoint, we are not building such large assets and we have done for up to almost 5,000 stores. Now it's about time to sweat these assets.

And therefore, the capital allocation will go into Domino's stores and Popeyes stores, which is all revenue generating capex. I hate to use that word, not that supply chain is not, its more revenue enabling from a framework standpoint. Suman, anything you want to add?

Suman Hegde: No, I just want to build on that. When you talk about free cash flow maximization, I think over the last 2 years, we did see a dip in free cash flow in FY24-2025, but we did turn around end of FY25. FY26 came out strongly free cash flow positive. I think it was right journey there. Also given the commentary I just gave in for the earlier question with Kunal, right, that capex is being within the range it will.

And with the business growing at the rate we know it's growing at double digits, right, overall as JFL, your operating cash flows will go up even if I hold my margin steady, which is not the intent, the margins will improve, your profit will grow ahead of your top line. So you will generate free cash flow. I think for us as a corporate, in a while, yes, we should have positive free cash flow.

The maximization that we are looking for internally is maximization of return on that capital, which is how is the ROCE progressing and hence, if I need to invest capital in a high-growth business and the free cash flows are a little lower, it still makes sense. And why would you keep that cash flow within your balance sheet if it's not generating as much return as it could if you deploy it.

So that's the key metric for us, how much return am I generating on that capital that I put into the business. And the second one is saying, am I improving my overall profit metric with my earnings per share, is that improving consistently. So I think these are the 2 metrics we track. The free cash flow is an input into these 2, is the way we look at it.

Tejash Shah: That's all from my side. Thanks.

Moderator: Thank you. Our next question comes from the line of Jignanshu Gor with Bernstein. Please go ahead.

Jignanshu Gor: Hi. Thank you for the opportunity, Sameer and team. So I wanted to extract some more color if possible on this 2.5% growth that you have seen, and we want to see the higher number ahead in context of the 140 bps of price increase that we seem to have taken on an overall basis. So which means, our volumes were sort of under more pressure. And these are largely digital volumes, because that's 76% of business.

We've acquired customers, but our efficiency of MAU to MTC is sort of dropping, right? So am I reading the problem, right, that we need to get and convert more digital customers in our app? And where do you believe the problem is and sort of what is the solution to the problem without assuming a demand increase at a macro level?

Sameer Khetarpal: I will not read too much into MAU to MTU conversion because it has Popeyes, Hong's, and like, I mean, standalone Domino's conversions have been very high, right? And we obviously took price increases, and therefore to that extent there was some drop in conversion, but that's marginal. It comes back in a quarter or so. Jignanshu, I will not compare that. I think the fundamental question that you're asking is, can we grow faster on delivery, right?

And delivery as a channel, right? In percentage terms, it has come down compared to what we were growing and then profitability is also a key driver. Therefore, we'll keep on balancing between discounting, price increases, packaging charges to ensure the shape of the business remains in the range where we want to, right?

Domino's is probably India's largest direct-to-consumer brand. It has very high digital adoption, and we have the levers to pull in terms of digital marketing and new customer acquisition and drive up the volume over there. But in the last quarter, we did focus on taking price increases, improving the average order value, and therefore flowing it through.

So there's a conscious choice, and we'll balance as the cost like if tomorrow the war goes out and we do see LPG prices have come in, right? This is a structural advantage that exists with us, from a pricing perspective. Now we can use some of the money for more marketing, drive up more new customers. These things will continue to play Jignanshu. So I will not read too much into MAU to MTU conversion.

Suman Hegde: Just to add to that, the delivery order volume has grown, right? The delivery channel has not been impacted, in terms of order volumes from the price increases that have been taken. And our price increases have not been, substantially as high, right? 1.5% to 2%, I believe the brand has the capacity to absorb to take forward.

Jignanshu Gor: That's, very clear and helpful to hear. I had just one question. Thank you very much.

Moderator: Thank you. Your next question comes from the line of Latika Chopra with JP Morgan. Please go ahead.

Latika Chopra: Yes, hi Sameer and Suman. Thank you for the opportunity. My first question was on margin outlook. You delivered, fairly healthy gross margins, at 75.5%, despite the headwinds that you talked about in the previous quarter. Just wanted to understand what was the pricing growth that you saw in Q1? And do you see much pricing flexibility if there is further cost inflation?

And if you could give some views there. And how does that flow through on to your EBITDA margin expansion target of 200 basis points which were shared earlier. So any update on progress towards this goal?

Sameer Khetarpal: Yes, I think let me take the second one first and then we can give more mathematical answers, Latika. So we had said that 200 basis points, roughly half and half will come from Domino's and the emerging brands, right? And as Popeyes have scaled up, and Hong's we have curtailed and Dunkin' is out. But we do believe this 100 basis point is ahead of the track. It's still not 100 basis point, but like we believe we are more confident, of delivering or even over-delivering on this dimension.

Domino's, we are on track with the healthy like-for-like growth that we saw in Q3 FY26. Q4 FY26 was also on a high base. Q1 FY27, also 2.5% is a good LFL on a very high base. We did face headwinds on specifically LPG, right? And while the teams work hard to plough back some of the pricing gains and offset the LPG wage increases and inflation in raw material.

We are trying to manage through smart buying and taking calibrated price increases. We are also seeing with the new commissaries, our supply chain costs coming down which internally sits in our gross margin, but for you it sits in the EBITDA line.

So having said that, the positive side, we have price increases, supply chain cost efficiencies, and the leverage of LFL. On the headwind side, we have inflation in cheese, oil, because oil is mostly imported in India, LPG, and labour cost increases. So we're trying to balance these, right, and taking calibrated price increase.

Is there more headroom to take increase if the situation remains alarming or worsens? The answer is yes, we will take those, right? And this is a change in our stance from earlier that where we were trying to do, but we'll again calibrate. First is to look for internal efficiencies, make sure we continue to be the most competitive pizza that we offer. We give great value to customers.

And if you're not able to kind of manage the shape of the P&L, we will take calibrated price increase. There are more opportunities that we also see. And Suman, anything you want to add?

Suman Hegde: No, I think Sameer you've answered it. And this, Latika, is that clear? You need more clarification?

Latika Chopra: So we are still, just to conclude from Popeyes front, that 100 basis point probably you are already over delivering, and remaining 100 basis points on Domino's front, probably you'll try to manage between revenue and cost, so your targets remain intact and timelines also. Is that fair to expect that?

Suman Hegde: Yes, as of now that is a fair assumption to make. I think the big one is to see how the structural parts of cost play out which is what we are calling on. The internal efficiency only draws, but as I mentioned, the last quarter, LPG was a 120 bps impact straight in, right? And of course, we mitigated a lot of it through pricing efficiencies.

We have reduced waste across our stores. So we've done a lot of things that we've optimized on. And of course, we had expected that maybe by second half of this year some of the West Asia crisis should kind of taper off and we should see them. But we're not seeing that happening, right?

So yes, as per our guidance and whatever internal charts we had made or structural changes we were planning to make which would get us to that target, we are on course of it and we feel we are ahead in some areas on those.

We also are expecting that some of the structural hits that we have seen from the external environment, so we want to hold on to the guidance for now.

Sameer Khetarpal: Yes, more unforeseen, Latika, I think from an input standpoint, the teams are actually executing faster than what we expected.

Latika Chopra: Sure, no, very clear. And second, because, Sameer just wanted to hear from you, how are you viewing the overall demand environment? The quarter had seen many ups and downs in general. There is a broader inflation which is inching up in the economy, but you've written in your comments that the underlying demand environment was strong. I just wanted to, understand this a little better, how are you viewing the consumer sentiment and, what does that imply for your business just beyond the base effects?

Sameer Khetarpal: Yes. So Latika, there was a time where firstly, we only sell pizzas and fried chicken, so from that perspective, hard to give a full view of the demand environment. But there is enough and more demand. Like I always said that there is more growth in delivery actually.

So but the question is, can you deliver it profitably, right? That is always a challenge. Customers are eating out, right? And customers are wanting more protein. When you look at the sales of cars, GST everything is indicating there is a positive demand environment. And wherever we have executed well, we have grown faster, much faster than the market. So, I don't see demand as an issue. In fact, indicators are it is only helping us.

Latika Chopra: Understood. Thank you so much.

Sameer Khetarpal: Thank you Latika.

Moderator: Thank you. The next question comes from the line of Nihal Mahesh Jham with HSBC. Please go ahead.

Nihal Mahesh Jham: Yes, hi team. Good evening. Two questions. One was, just to understand this impact, but I think last quarter you had called out that the ballpark impact of cost inflation was 120 bps, and you've taken sort of a 1% price hike. So that is what explains the QoQ 20 bps, contraction margin, right? This is a crude calculation. That is how things have played out.

Sameer Khetarpal: I will let Suman, explain.

Suman Hegde: So we had explained in the last quarter that we see almost a 200 bps of headwinds on account of costs, which was about 120 bps, like you rightly said on account of LPG. But we also called out inflation that we were seeing on labour on two counts: on account of the new labour code notifications, which would see the impact in this financial year and also the minimum wage increases which have happened across since April this year, almost 14 to 15 states in India have taken minimum wage hikes across the board.

So that was another thing. And it also indicated the inflation we were seeing on account of the petrol and diesel costs going up, which impacts both in terms of logistics cost for the company and underlying it impacts commodities which we buy because it is an input cost for the vendors that we buy from. So 200 bps is what we indicated.

We had at that point in time said we had already factored in and had already taken pricing to the extent of about 100 odd bps, which was in 100 bps, 110 bps was already in. Since then, and we were looking at about a 70 bps -80 bps headwind. Having said that, over the quarter we have taken some further price increases. We have worked further on efficiency, wastages, and other elements which has helped us restrict that headwind to 20 bps. So that's the broad math.

Nihal Mahesh Jham: Got that. So versus, say, when we had this conversation in Q4, it's not that significantly things have intensified from your cost front, or is it that cheese is something incrementally you mentioned that has gotten worse so?

Suman Hegde: Yes, absolutely. So I think the labour and this remains the same. The commodities are seeing some amount of flux still. I think cheese is one because dairy prices are up, and I think Sameer mentioned oil is up, and we're also seeing some things in chicken right now, but we will see how that pans out. So I think commodities are still in a flux. There might be more inflation coming our way, but we'll have to wait and watch on that now.

Nihal Mahesh Jham: Got that. The second question was on the minimum order value dropped to INR99, which you mentioned about last time round. Just wanted to understand how is that sort of being incrementally impacting or helping our business? Because I remember when we dropped the delivery charge, there was a strong spurt in obviously volume, but there was obviously an increase in cost that came along. So incrementally with this MOV dropping to INR99, are we from a overall business perspective seeing the profitability boost come in?

Or right now maybe it's more of an investment to get new customers? Just wanted to get a sense on that?

Sameer Khetarpal: When we did free delivery, we were leading the market. Because the market MOVs were at whatever, Rs. 200, Rs. 250. We were at Rs. 149, and we had given a very strong reasons for customer to move to our channel. And therefore you saw the spurt in growth. But that's how the game theory actually plays out.

The aggregators moved to INR99 and therefore we had to follow and move to INR99. So this was a lagging action we took. We resisted because we know it hurts the economics. So now we have a level playing field. Our app, which is our Domino's app, continues to grow, right?

Obviously, we want more growth, but it is the predominant channel for growth. Customers who want to order Domino's or want repeat orders, they have all the reason to come to Domino's. They're not disadvantaged from shopping on any other channel. So that piece we have corrected. So this was a correction, but it comes at a lower average order value.

And hence, my cost per order, which even if it is flat year-on-year, I'm investing more per order at a lower value of the order to deliver to that customer. So therefore, from that standpoint, it is the headwind that is there in the business from an EBITDA standpoint. The volume needs to grow materially higher than where we are to kind of for that to flow into EBITDA, right? Because it's a very variable cost that we've added to a lower order value. So, I don't expect this to drive up revenue, but the question is, it's a great place for customers to come back and order their favourite pizza. That channel continues to be very strong, and we should drive more growth in that channel.

Nihal Mahesh Jham: Understood Sameer and Suman. Thank you so much. Best wishes.

Moderator: Thank you. Your next question comes from the line of Amit Sachdeva with UBS. Please go ahead.

Amit Sachdeva: Yes. Hi, good evening. Thank you so much for taking my question. So Sameer, my first question is on the exceptional rebound in growth in, for example, Popeyes, which truly commendable, and congratulations for that. My question is that, is there a category level differences now emerging, say, in chicken kind of eating versus, say, pizza? And what is the dine-in kind of percentage in Popeyes?

And if, for example, that number is high and delivery is low, is the customer cohort very different? And or is there, is a different category evolution is at the play? And how do we understand that dynamic? And does that make you more confident on Popeyes revival and SSG than, say, Domino's, which is already delivery is doing what it is doing? Because the dine-in which is suffering there. How do we contrast the two formats from a consumer cohort and this dynamic perspective?

Sameer Khetarpal: Yes, I think the, it's a good question Amit, and thank you for acknowledging progress in Popeyes. See, the two brands are at a very different stage, right? And Domino's is large QSR brand in India. Very penetrated. Having said that, the household penetration frequency, net-net, like, what are we saying that there are 6 million-7 million Indians who are eating pizza every month, right?

So that's a very low number. And even in those 6 million - 7 million out of 1,000 meals they will eat in a year, they will eat it 3 in those 1,000 occasions. So the headroom to grow is massive. We are still very early. What Indians eat is actually Indian food, right? Whether it's burger or a pizza or a fried chicken, the penetration in the 1,000 occasions or events in a year where one consumes food is very, very low. So the job for Domino's is to grow the category, make it more relevant, right, move beyond 3.

So that's how I see Domino's. And fried chicken, see, we are very small, very minuscule compared to the large incumbent sitting over here. So therefore, the growth looks very good from that perspective. Our goal is very simple, to build a INR1,000 crores profitable brand. That's what we want to do. And then from dine-in takeaway perspective, we're obviously present more in malls. It's a brand that needs to be established. Marketing costs are lower in a mall because you get natural footfalls, but yes, the rentals are higher.

So there will be a stage where we will expand through more high streets that time is not very far away, where the brand salience and considerations have improved from where we are. And at the moment, we are more focused on driving awareness and trials to the brand. So that is the number one job to be done from a revenue growth perspective. And then of course the unit economics to making sure the awareness, the EBITDA flow through is rock solid.

Amit Sachdeva: Got it, Sameer. And is there any delivery percentage we have on Popeyes?

Sameer Khetarpal: We don't actually declare delivery percentage for Popeyes. We want customers to order from any channel that they wish, is more favourable to them, whether it's an aggregator, our own app, dine-in, takeaway. We want to service customers on all channels, right? At the moment, the dine-in salience is very high because of the locations we've chosen, which means that we have an untapped opportunity that we have not focused on, and we will focus on later from a delivery standpoint.

Amit Sachdeva: Got it. Now, that's very helpful. Just very quickly, if I may ask, just a small clarification.

Moderator: Sorry to interrupt Amit, we request you to…

Amit Sachdeva: Yes, sir. Okay, no problem. Yes, sure. Go ahead sir.

Moderator: Thank you so much sir. Ladies and gentlemen, we'll take the last question coming from the line of Aditya Soman with CLSA. Please go ahead.

Aditya Soman: Hi, good evening and thanks for the opportunity. So the question was just on your sort of average order value across both Domino's and Popeyes in India. Could you share the number? And if you can't share the absolute number, could you just share a relative relationship between those two? So just want to understand if there's a vast difference, particularly given that, as you mentioned, Popeyes is more dine-in compared with Domino's, which is predominantly delivery.

Sameer Khetarpal: You know, we don't share the average order value. We refrain from doing that. And but the typically chicken average order values are higher than pizza. That's all I want to say. And Domino's in their category or in that place is the highest. That's all I want to say. And Popeyes has some room to grow to be the highest.

Aditya Soman: So, what you're saying is, chicken, it should be higher than Domino's and then Popeyes should be potentially, at least at chicken level, maybe?

Sameer Khetarpal: Correct, that's correct. That's correct.

Aditya Soman: Alright. Perfect. That should be good. Thanks.

Sameer Khetarpal: Thank you so much.

Suman Hegde: Thank you.

Moderator: Thank you. Ladies and gentlemen, I now hand the conference call over to the management for closing remarks.

Apar: Thank you everyone for joining the call and for listening patiently. For any further questions, you may reach out to the investor relations team. You will find the recording and the transcript of this call on the Investor Relations page of our website very soon. Thank you and have a great evening. You may now disconnect.

Suman Hegde: Thank you.

Moderator: Thank you all the members of the management. On behalf of Jubilant FoodWorks Limited that concludes this conference. Thank you everyone for joining us and you may now disconnect your lines. Thank you.