Westlife Foodworld Limited
Q4 FY25 Earnings Conference Call

May 14, 2025

MANAGEMENT:

- Mr. Amit Jatia – Chairperson
- Mr. Akshay Jatia – President & Chief Executive Officer
- Mr. Saurabh Kalra – Managing Director
- Mr. Hrushit Shah – Chief Financial Officer
- Mr. Chintan Jajal – Lead Investor Relations

Moderator: Ladies and gentlemen, good day and welcome to the Westlife Foodworld Limited Q4 FY '25 Earnings Conference Call. 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 then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Chintan Jajal, Head of Investor Relations. Please go ahead.

Chintan Jajal: Thanks, Ryan. Welcome, everyone, and thank you for joining us on Westlife Foodworld Earnings Conference Call for the fourth quarter ended 31 March, 2025. I'm Chintan, Head IR at Westlife. From the management team, I have with me Mr. Akshay Jatia, President and CEO; Mr. Saurabh Kalra, Managing Director; Mr. Hrushit Shah, CFO; and Mr. Amit Jatia, Chairperson.

We will kick off today's conversation with Akshay sharing his thoughts on overall business progress and outlook. This will be followed by Saurabh taking us through operational, financial and strategic highlights. Post that, we can open the forum for questions-and-answers. We will be referring to earnings presentation and financial releases already available on BSE, NSE and Investors page of our website.

With that, I now request Akshay to commence this session. Thank you. And over to you, Akshay.

Akshay Jatia: Thank you, Chintan. Good afternoon, everyone. It's great to have you on the call today. I hope you've had the opportunity to review our Q4 results and presentation. Our same-store sales growth stood at 0.7%, and adjusted SSSG, excluding the leap year impact, was 1.7% in Q4. This marks our second consecutive quarter of positive comparable sales, reinforcing our confidence in sustaining this momentum into the new financial year.

Throughout the quarter, we focused on our strategic priorities, that is the value proposition and product innovation. The McSaver Meals and the McSavers+ Combos has strengthened our value proposition, while new offerings such as the Korean Range and Mango Burst range are generating significant consumer excitement.

This balanced approach has driven guest count growth, while maintaining average check size. That said, FY '25 presented notable challenges for the food retail sector, with soft demand and stagnant consumption trends across most of our markets.

Eating out frequency during the March quarter remained largely unchanged from the previous year. Drawing on our extensive experience navigating past market cycles, we are well positioned to address these conditions more effectively than most of our competitors.

The food retail industry in India is characterized by low barriers to entry, yet achieving scale with profitability is rare due to complex operations and changing consumer preferences. Tough times often lead to consolidation, but they also allow companies with strong brand equity, robust business models and superior operational execution to solidify their foundations for future growth.

Accordingly, we've used this period to sharpen our strategy and streamline cost structures. Our network expansion remains on track, with 47 new restaurants opened in FY '25, in line with our guidance. A key milestone this quarter was the opening of our 100th drive-thru restaurant, enhancing our ability to deliver a best-in-class customer experience and reinforcing our competitive edge.

With nearly all our stores now in the Experience of the Future format, I'm proud to say we operate one of the most modern restaurant networks in the industry. We believe India's eating-out market is at a pivotal moment. The organized sector, particularly the Western fast-food category is projected to grow in double digits over the next 5 years.

This presents an incredible opportunity for our company, given our versatile business model, spanning dayparts, product categories and channels. To capitalize on this, we will continue with our network expansion plan. While we acknowledge the current challenging business environment, we remain committed to prudent expansion funded through internal accruals, ensuring sustainable and profitable growth.

Lastly, I'm delighted to announce that Westlife Foodworld has achieved the top ranking in India and 5th place globally in the restaurant sector in S&P Global's Corporate Sustainability Assessment. This distinguished recognition underscores our unwavering commitment to integrating sustainable practices into our business operations. Thank you for your support and confidence in us.

I now hand over to Saurabh, our Managing Director, to discuss the operational and financial highlights for the quarter.

Saurabh Kalra: Thank you, Akshay. Ladies and gentlemen, good afternoon. Thank you for joining us to discuss our Q4 results. We continue to demonstrate a resilient performance with consolidated sales of INR6 billion, which was up by 7% year-on-year on the back of same-store sales growth of 0.7%. Excluding the leap year impact, the adjusted same-store sales growth, as Akshay pointed out, is around 1.7% year-on-year.

As Akshay highlighted, our core priorities in the last few quarters have been to strengthen our value proposition and drive product innovation. This strategy actually has enabled us to achieve a good balance of guest count and average bill value. While some pressure on outside home food consumption continues, we remain focused on gaining market share across our markets.

Our brand perception parameters, especially the value-for-money metric remains very strong. In Q4, our on-premise business grew by 8% Y-o-Y, outpacing the off-premise business, which increased 5% Y-o-Y.

Although quarterly growth trends vary due to multiple factors, as an Omnichannel brand, we strive to deliver exceptional consumer experience across all touch points, driving simultaneous growth across all channels. Off-premise sales accounted for 43% of total sales, aligning with our 2-year average. For the full-year FY '25, our sales, EBITDA and cash PAT stood at INR24.9 billion, INR3.3 billion and INR1.9 billion, respectively, growing by 16%, 17% and 14% on a 3-year CAGR basis.

Moving on to product innovation. Drawing inspiration from the young Indian consumer, commonly passionate about Korean things, be it music, food or fashion, we launched our limited-time Korean range of burgers, sides and drinks, even at an entry level price point of INR69.

This brings a unique global experience for our consumers. We also introduced Mango Burst range, including Mango Burst McFlurry with OREO, and Mango Burst McSwirl and Mango Burst smoothie to beat the hot summers in the mango season.

Digital remains a cornerstone of our growth and consumer engagement strategy. In Q4, digital sales sustained a strong growth, accounting to almost 75% of our total sales, driven by self-ordering kiosks and our mobile apps. Our digital platforms are robust with 41 million cumulative app downloads and 3 million monthly active users or MAUs. We are committed to digital innovation, delivering seamless customer experience across all touch points.

Turning to profitability. Our Q4 margin remained broadly in line with our guidance, that is around 70% gross margin. Input costs were stable. Restaurant operating margin and operating EBITDA margin dipped by around 30 basis points and 50 basis points Y-o-Y, respectively, due to operating deleverage, partly offsetting targeted -- by our targeted cost efficiencies and normalization of marketing spends.

Cash profit after tax reached INR469 million or 7.8% of sales. We're actively pursuing operational efficiencies to enhance our return ratios. On expansion front, I'm happy and pleased that we added 18 new restaurants in Q4, bringing our total number of restaurants at 438 across 69 cities as of March 31. Of these, 95% of the restaurants feature McCafe and almost all our stores are now experience of the future. And with every 1 out of the 4 restaurants offer a drive-thru service.

For the full-year, we added 47 stores, in line with our guidance of 45 to 50 for FY '25. Furthermore, I would like to highlight that despite a challenging year, we were able to fund our expansion largely through our internal accruals as seen in our net debt position, which remains stable versus last year at INR90 crores.

Our net debt to equity stands at a comfortable 0.15x as of March 31. We continue to move towards achieving our Vision 2027, targeting 580 to 630 restaurants. We see a lot of potential in South, where we are under-indexed and hence, cities like Hyderabad, Chennai, Bangalore, as well as smaller towns will see a healthy addition. We also feel that infrastructure development like highways, metros, airports are unlocking a lot of white spaces, and we'll be tapping into these opportunities as well.

In conclusion, we are excited about the long-term potential we see in our markets. With a vibrant economy, robust infrastructure development and large young population eager for convenience and new global experiences, we are well positioned for growth. The current challenges are just temporary bumps on the road.

We have been through these cycles like this before, and we always end up achieving a higher baseline. Our strength lies in our execution and our foundations of trusted brand, loyal customer and a team, which passionately serves and running great restaurants, creating memorable experience for our consumers.

We are laser-focused on fortifying our market leadership and driving healthy profitable growth through execution prowess. We remain committed to our 2027 goals. I will now turn the call over to the moderator, and we are happy to take questions. Over to the moderator.

Moderator: Thank you. Ladies and gentlemen, we will now begin the question and answer session. The first question comes from the line of Percy Panthaki from IIFL Securities.

Percy Panthaki: Can you give some idea about the demand through the quarter? Did you see it sort of accelerating and do you see that trajectory continuing? Or do you think that -- I mean, it's too early to call out any major recovery? What I'm trying to understand is in the near term over the next, let's say, 2 months to 4 months, can we see the SSSG go to a mid- to high single-digit number? Or that is still uncertain?

Akshay Jatia: So just to answer your question, Percy, we have definitely been seeing sequential improvement as you've even seen in our quarter results, where month-on-month, we feel all our efforts are resulting in a traction and the green shoots we want to see. I can't talk about this quarter specifically, but we did have a good outcome in terms of the last couple of months of last quarter as well.

And we are quite confident that with our plans, we remain committed towards Vision 2027, which implies that we plan to get back to that mid- to high single-digit SSSG over the next couple of years. So, I think that to summarize, we are seeing green shoots. We are working on sequential improvement. And we do feel that the demand environment is picking up, not in a very accelerated way, but in a slow and gradual manner.

Percy Panthaki: Got it. Next, I just wanted to get some sense on margins in light of a comment by one of the other QSR companies this quarter, where they said that basically a 3% to 4% kind of SSSG is required just to maintain the current level of margins and expansion will be seen only if the SSSG goes above that level. So, what are your thoughts on this topic? Would you largely agree with this statement? Or would it be different for your company?

Saurabh Kalra: I'll answer it differently. Obviously, needless to say, there is always inflation every year, and there is a certain amount of sales required to cover up for that inflation. It's a reality of a business in an inflationary environment. However, that's not how we have always approached it. I think there are multiple levers to handle inflation, including pro mix, including pricing, including other cost efficiency program, which the company does on its own.

What I would say is there are certain areas, certain commodities inflation, actually increased substantially in the last half of the year, likes of coffee, likes of oil, likes of cocoa, etc., have gone through the roof. So, I think it remains challenging, but we feel confident that we should be able to maneuver and manage these challenges.

Percy Panthaki: Got it. And last question from my side. This quarter, how has the SSSG been broken into number of transactions and average value per transaction? I mean, out of the adjusted 1.7% SSSG, what is the bigger driver? And also, if you can give some comments on how the mix is shifting between the value part of the menu and the premium part of the menu?

I mean, in the last few quarters, we have concentrated quite a lot on the value part and also the market has moved that side. So, do you see any kind of shift where premium is sort of now coming back and growing faster, or that is not yet to happen?

Saurabh Kalra: So largely, almost all our growth is coming on the volume -- on the back of volume, not necessarily value, primarily because of the value offering, which we have given. They're all based on the volume growth, which we expected and similar things have panned out. So while we don't give any breakups in terms of what pro mix has gone where, but largely, it's not the value growth, it's the volume growth which has given these numbers which you are seeing.

Moderator: The next question comes from the line of Devanshu Bansal from Emkay Global.

Devanshu Bansal: Akshay, interestingly, you mentioned that in between there was this small size competition that has creeped in, which is eventually bound to consolidate because of weaker unit metrics, right? So are you seeing some amount of competition emerging specifically in the burger QSR space? That is number one. And secondly, are there any initial signs of consolidation happening for some of this competition?

Akshay Jatia: So in terms of competition, there's always been competition, right? And that's what's grown this entire Western fast-food market. So, I don't think it's anything new for us. And from our point of view, competitive intensity, in fact, grows the market and allows players like us or Westlife to stand out in terms of the offerings that we have.

In terms of consolidation, I mean, you will see what you normally see in the news. I don't see anything different in terms of how it's been operating. But I think what I'll leave it at is that Westlife and brands like us that stand out in terms of the offerings and performance are the ones that are going to continue to lead the market.

Devanshu Bansal: Understood. Secondly, I also wanted to understand the divergence in SSSG trends across regions for us, right? So earlier, there were some differences between the growth trends in South and West. So, how it is trending now? And if there is a gap, what are the steps that we are taking to correct that?

Akshay Jatia: So, we don't break it out in terms of numbers, but obviously, the West has been a very strong market for us from day 1. We've built the brand brick-by-brick. And I think in terms of our communication today, the West customer resonates and relates to us quite easily, and we've seen very good traction in the West over the last few months.

In terms of South, I think that we've made a lot of traction, whether it's in terms of launching the right offerings or increasing our footprint in terms of number of stores. The work to be done continues to remain the same, where we're continuing to increase the strength of our brand relevance and our connect with the customers.

We've seen, again, good traction over there in terms of lead and lag indicators. And we're very confident that it will give us the return metrics that we aspire for, very similar to the West in a matter of time.

Moderator: The next question comes from the line of Gaurav Jogani from JM Financial.

Gaurav Jogani: Sir, my first question is with regards to -- if you look at the last year, the last year base is now very favorable, especially the first half. In this context, how should one look at the performance going ahead? Or should we reconsider, I mean, those basis? I mean, how should we look at the growth for FY '26 because there's a lot of noise in the data in FY '25?

Saurabh Kalra: So how I would recommend you to look at the data is, unfortunately, most -- like most consumer-led businesses, we are a habit-led business. And therefore, the moment there is a tough year, the baseline gets re-established. So, we can't look at what happened last year, favorable, non-favorable. That's not how we look at it.

I think we've started growing. Like Akshay said, we've started gaining traction. Last quarter, we've grown. This quarter, we've grown. We would like to foresee and we would plan to make sure this momentum continues and then we see better and better results. That's how we would look at it.

Gaurav Jogani: Sure. I mean, see, the context of asking this question was if you look at the average unit volume of stores also, I mean, that has also seen a sharp dip. Now, given that there is traction in your overall growth rates in terms of the check size, also the guest count, should a low base shouldn't help at least to achieve a mid-single-digit kind of an SSSG in that context?

Saurabh Kalra: So let me give you another breakup. I don't think our comp restaurants have de-grown dramatically. In fact, if anything, they've grown, and that's where you see the comp growth. While a lot of chunk of restaurants have been added in the last 2 years, which is pulling down the average unit volume and though some of them are conscious calls.

To give you an example, we opened a restaurant in Delhi-Mumbai Expressway in a only small area, which is between Baroda and Surat, which has been opened. Now obviously, we knew that its volume will be far lower. And restaurants like those sometimes drag your average unit volume down, but I would not look at it that way.

I would look at it saying, you have to invest to grow for the future. And some of it is that arbitrage, which keeps on playing. But on the average unit volume, on the stores, like-to-like stores, I don't see us de-growing. I see us, again, like I said, gaining momentum from where we were last year.

Moderator: The next question comes from the line of Pranay Roop Chatterjee from Burman Capital Management.

Pranay Chatterjee: Great. Sir, this question -- my question is on demand, first question. So, this question has already been asked. So, I'll ask it in a different way. So, a couple of your peers have released results already. So when I'm looking at the pizza category, who is your main peer in the pizza category, they've been doing double-digit SSSG for a couple of quarters now.

But when I look at your other peer who is running a pizza chain and a fried chicken chain, they are flat, very similar numbers. And your numbers are also on the low positive side. So is it possible to then break down the demand traction by food category? Is that the right thing to do? Or would you say some of the higher double-digit numbers could be an aberration or driven by something else?

Saurabh Kalra: While I cannot comment on anyone else's business, what I can say is, in reality, like I said, our business is a momentum business. And even the category is a momentum category and habit category. There are times when a brand loses traction. There are times when the brand gains traction.

What we see in our business, like I said, we have now started to grow back after almost a period of 1 year where we were having really strong headwinds. And then we have tried to fix some of the basics. And you will see the momentum continue is how I would like to believe.

Pranay Chatterjee: Got it. Sir, my second and final question is on your gross margin. So, what I was trying to do is trying to gauge your unit economics versus peers. When I look at your gross margin, there was a change in definition, where a part of your outsourced input expenses was -- which is processing fees was put into your other expenses.

So if I just add it back to COGS, your gross margins would be around 66% to 67% mark. When I look at your other listed burger chain peers, they are also at a similar margin level and -- which is 66% to 67% like-for-like.

And they are actually guiding a 70% GM in a couple of years. So, my question is, is -- in your case, in case of your gross margins, is such an expansion of 200 bps, 300 bps, 400 bps on current levels possible? Does that even make sense? And what can drive such expansion?

Saurabh Kalra: See, I will not speak about anybody else. For us, our long-term vision, we have given that Vision 2027 is where we stay committed to. And there are multiple levers, including gross margin to be able to expand. But on why somebody else has given what guidance, I have no idea, and I would not like to comment on it.

Akshay Jatia: Yes. I think profitability guidance has been clearly laid out there, and that's what's more important to us in terms of giving clarity.

Moderator: The next question comes from the line of Jasdeep from Clockvine Capital.

Jasdeep: Sir, what kind of inflation are you seeing on the store staff level in terms of their salaries?

Saurabh Kalra: So every year, there is minimum wages inflation, there is inflation. Otherwise, when you increase salaries. So, they remain stable. They're all part of the things, which we baked in our P&L and our projection. It's typically wage rate anywhere between 5% to 10% is what the increase happens year-on-year, and that continues to be our plan even this year.

Jasdeep: Got it, sir. So on account of high demand of human resource on the delivery side, everybody is increasing their delivery fees. Aren't you seeing the impact of that on salaries of your store staff? Aren't they going by higher than -- going up by higher than usual?

Akshay Jatia: No, I think that, that entire phenomenon has kind of stabilized. And I think that, again, we managed labor very intelligently in terms of the value proposition we also bring for our employees where they don't just look at it as a job, they look at it as a career.

So, I think that, obviously, year-to-year, you will obviously see minimum wage increase, but we keep it at the minimum and we keep optimizing our productivity levels as well. So, taking all of this into account, I think that we've managed our labor line item very well.

Moderator: The next question comes from the line of Jignanshu Gor from Bernstein.

Jignanshu Gor: Congratulations for a steady set of numbers. I had two questions. One was on the broader store guidance for '27. If we take the current starting position and sort of draw a run rate, we will need to increase our run rate, right, of around net additions of 41, which we, for example, did this year to at least 50 plus over the next 11-odd quarters to meet the guidance, the lower end of the guidance. So, I think the question is, are we holding on to that number? Or do we expect an acceleration coming in store adds? That's the first question.

Akshay Jatia: So, we've continued to hold on to our guidance in terms of Vision 2027, which is 580 to 630 restaurants by 2027.

Jignanshu Gor: Okay. All right. Second question was the inventory levels for this year have increased on a per-restaurant basis also compared to last year materially. Should we read anything into it? Or it is more of a seasonality effect, etc.?

Saurabh Kalra: No, it's more of a seasonality effect, and there could be some strategic buying, etc., that would have happened. There is nothing out of normal in that. It is as per trend, and it would average out over as we move ahead into the year.

Moderator: The next question comes from the line of Rishi Mody from Marcellus Investment Managers.

Rishi Mody: So, my first question was on the stores that you mentioned, right, the stores like the Baroda, Surat Highway, which are kind of dragging down your average unit value. Just trying to understand how much productivity are they coming at versus, say, your older stores? And how much time do they take to come to a similar sales per store as your current average cohort? And how much of your sales is coming from such kind of stores? If you could just give me this kind of data?

Saurabh Kalra: Rishi, I was wanting to give a flavor. That's why I gave the example of those 2 stores. Normally, we don't give any breakups. Obviously, we've stated in the past also that sometimes it takes 2 years to 3 years typically for a store to become at a system level. Some takes more. Some takes less. But on an average, 2 years to 3 years would be a way to look at it.

Rishi Mody: And versus, say, 2 years, 3 years back, would the proportion of these stores have increased in your mix?

Saurabh Kalra: It is. It's been largely similar. I don't think we have given this as a typical guidance in the last 2 years, 3 years. 2 years, 3 years back, we had talked about 2 years, 3 years. I don't think that has changed dramatically. It's about the number of stores. I think we have opened significant amount of stores, and we see them maturing quite well.

Moderator: The next question comes from the line of Shivam Chomal, an Investor.

Shivam Chomal: So basically, our TTM revenues per restaurant are around INR6 crores. Now, I just wanted to understand how much percent of this revenue comes from our cafe business and how much of it comes from the restaurant business?

Saurabh Kalra: So, we don't give the cafe breakup in general. We have given the guidance in the past that around 12% to 15% of the sales comes from cafe, but I would not look at it that way. I think there is a restaurant business, and then there is a delivery business, which is off-premise and on-premise for which we always give a breakup.

I think that's a better way to talk about because there are occasions of off-premise, which are very different to occasions which are on-premise. So, I would encourage you to more look at it from that split.

Moderator: The next question comes from the line of Gaurav Jogani from JM Financial.

Gaurav Jogani: Sir, just one question from my end. The other income this quarter around has moved up sharply. So, anything to call out there?

Hrushit Shah: Gaurav, these are part of the annual reconciliations that you do. So even if you see in the base year also, there was -- there have been the other income. There is nothing out of that. This is part of the annual -- as you close the books, there could be some reconciliations, etc., which would come as part of the book close. It is business as usual.

Moderator: The next question comes from the line of Devanshu Bansal from Emkay Global.

Devanshu Bansal: Sir, off-premise growth has been relatively muted, even this is now growing slower than the on-premise…

Saurabh Kalra: Sorry, your voice is fumbling.

Akshay Jatia: Devanshu, you might have to repeat your question, please?

Devanshu Bansal: Yes. Off-premise growth has been relatively muted vis-a-vis on-premise sales also now. So, however, for other QSRs, this channel is specifically growing much faster, right? So, what are the steps that we are taking to improve growth in this channel specifically?

Akshay Jatia: So again, I can't comment on other competitors, but I think delivery has been growing along with off-premise quite well in the past few years. Current year and quarter has been marginally down, but we remain leaders in this category, whether it's through our partnerships with the platforms or even our own channel in which we continue to invest. So definitely, we plan to accelerate growth over here. And we do feel that while it's dropped, it's still growing and will continue to grow.

Devanshu Bansal: Understood. And sir, specifically wanted to understand the operational cost, right? So, you have covered it in earlier questions. But specific to Q3 and Q4, despite opening around 30-odd stores, the employee cost has been decreasing sequentially, right? So, is there any significant change that we have affected from an employee cost perspective? That's all what I wanted to understand.

Akshay Jatia: So, I think that a lot of the gains we're seeing is through productivity initiatives. Obviously, as we've been adding to the base in terms of number of stores, on a percentage basis, we expect it to remain similar. But because of productivity gains in terms of optimizing our labor, making our labor more efficient per guest count that we serve, we've made a lot of good progress through multiple initiatives that we've deployed.

Moderator: We take the next question from the line of Rishi Mody from Marcellus Investment Managers.

Rishi Mody: So, just following up on the delivery piece, right? Just trying to understand what's the challenge here because you heard Zomato also call out their delivery slowdown. So, just trying to understand what's the reason for you because they might get impacted due to other reasons, which could be favorable to you? So, I'm just trying to understand your reasoning for a relative slowdown in delivery?

Saurabh Kalra: I think our business at a significant level was also dependent on 3PO, while we had our own channel. Our business was relatively over-indexed towards both the operators of Swiggy and Zomato. And we've seen some amount of -- the growth trajectory has reduced for sure in both the channels. So, we are also working now to see how do we also expand our channel to be able to compensate for it and continue to be a growth business.

Rishi Mody: But in the 3PO, would you have gained market share like despite the slowdown or you would have more or less similar share?

Saurabh Kalra: That's what we hear from both the 3PO partners that we have gained market share. Needless to say, market share includes the number of new stores also which we include.

Moderator: The next question comes from the line of Jegadees Sharma, an Investor.

Jegadees Sharma: Sir, when compared to other fast-food chains and everything, there is a slowdown in the burger areas, right? And we are seeing this for quite some time. Why do you think that, sir?

Saurabh Kalra: I would not look at it that way. I would look at it in a different manner. I think the informal eat-out has been under a lot of pressure, which once upon a time used to have a significant amount of growth. We've been flattish to negative in the last 1 to 2 years. Now in that, a lot of things, which we see happening is row-side vendor and dining places and informal -- Indian fast-food also having a lot of pressure.

While Western fast-food is growing on the back of a lot of new store addition, that's what we see. Now, Western fast-food includes a lot of -- a lot of us includes McDonald's and other brands like that. So, a lot of growth has come out of new store addition and some brands do well, some brands don't do well. It's part of the game. That's how the life is.

But I would not get into pizza growing or burger growing, I do think there is a more structural issue, which is the informal eat-out has been under pressure. So that's the headline. And then obviously, like I said, we are a habit and a acceleration-led business. So momentum -- when the momentum comes, you will see the brand which has got momentum building faster.

Jegadees Sharma: The question -- I'm continuing on the same question. Will we be able to see 3% to 4% SSSG by this year? Like will we be able to be on that track or path by this year itself because we are seeing some green shoots over, right? We have seen.

Akshay Jatia: Yes. So just to answer, as we did earlier, we can't give forward-looking guidance, but we are very confident that we will maintain the trajectory required to deliver Vision 2027.

Moderator: We take the next question from the line of Amruta from Wealth Managers India Private Limited.

Amruta: So, I just got 2 questions. One is you just mentioned about the SSSG that has been -- like the adjustment is for the leap year impact. Am I right? If you could just explain about how big -- what impact does it have?

And my second question was regarding the Korean menu. So if you could share more color on what kind of -- like how was the response that we received for the Korean range? And do we intend to kind of make it a permanent addition to the menu?

Hrushit Shah: Amruta, the leap year essentially is -- last year was a leap year. There were 29 days in February. Current year is a regular 28-day week, right? So, that's 1 day short in a quarter. One out of 90 days is about rounding it up by -- rounding it up 1% that we are looking at as an impact on the growth numbers, both overall as well as SSSG.

So that answers your question on leap year impact. And Korean is an LTO. At this point in time, it continues to be an LTO, which is limited time offering in our menu. There is no plan per se to make it as a permanent offering in our menu.

Moderator: As there are no further questions, I now hand the conference over to the management for their closing comments.

Akshay Jatia: Thank you so much, everyone, and we'll see you again next quarter. Have a great day.

Saurabh Kalra: Thank you. Have a great day.

Hrushit Shah: Thank you.

Moderator: Thank you. On behalf of Westlife Foodworld Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

Disclaimer: Please note that this transcript has been edited to correct any inadvertent grammatical inaccuracies or language inconsistencies that may have occurred while speaking. The audio of this call is available here.