
Avendus Capital advises Sapphire Foods on its INR 225 crore fundraise led by Edelweiss Asset Management with participation from existing investor

Mumbai, December 19, 2018

Sapphire Foods, the largest franchisee of Yum! Brands Inc in the subcontinent, operating more than 350 KFC, Pizza Hut and Taco Bell restaurants across India, Sri Lanka and Maldives, has raised INR 225 crore of equity investment led by Edelweiss Private Equity, the private equity and venture arm of Edelweiss Financial services, and its existing investor Goldman Sachs, to fund its aggressive expansion plans in India.

Avendus Capital was the exclusive financial advisor to Sapphire Food's fundraise.

"Sapphire Foods is delighted to welcome Edelweiss Private Equity on its board and looks forward to working with them and the existing shareholders in its quest to become the best Restaurant and Food Services Operator in the country. We are proud to operate Yum! Brands' iconic KFC and Pizza Hut restaurants in India, Sri Lanka and Maldives and believe there is significant potential to expand our current restaurant base and bring joy to millions of customers through great tasting food and service. Sapphire Foods provides direct employment to over 8,500 youth across the country through our restaurants," said Sanjay Purohit, Group CEO, Sapphire Foods.

Sapphire Foods was set up in 2015 backed by a consortium of leading private equity firms Samara Capital, Goldman Sachs, CX Partners and IDI Emerging Markets. Sapphire Foods had acquired approximately 250 KFC and Pizza Hut restaurants in India and Sri Lanka from multiple franchisees and Yum Restaurants India Pvt Ltd since 2015-16.

Commenting on the deal, **Abha Agarwal, Executive Director at Avendus Capital** said, "We see a high growth opportunity for food services brands (specifically QSR) – as the eating-out / ordering-in consumption is increasing. The digital discovery and fulfillment channel (on-demand delivery), while increasing demand for non-home food, significantly benefits brands like KFC / Pizza Hut by increasing the availability through home delivery. Sapphire, with its strong

DEAL RELEASE

Release Date: December 19, 2018
Contact: Sunita Pendse
Tel: +91 22 6648 0044
Email: sunita.pendse@avendus.com

Avendus Capital

Mumbai, Delhi, Bangalore, Kolkata, New York, London
Regd. Office: The IL&FS Financial Centre, 6th Floor,
C & D Quadrant, Bandra-Kurla Complex, Bandra (E),
Mumbai-400 051, India



management team, robust processes, and bouquet of popular brands, is one of the few scaled up platforms to benefit from this incremental growth being created in the sector.”

About Avendus Capital Pvt Ltd

The Avendus Group (Avendus) is a leading provider of financial services with an emphasis on customized solutions in the areas of Investment Banking, Wealth Management, Structured Credit Solutions and Alternative Assets Management. Avendus relies on its extensive experience, in-depth domain understanding and knowledge of the regulatory environment, to offer customized solutions that enable clients to meet their strategic aspirations. Avendus Capital has consistently been ranked among the leading financial advisors by overall number of deals. It has a strong track record of cross-border transactions and has helped multiple clients benefit from opportunities across geographies. Avendus’s wide range of clients is testimony to its ability to serve its corporate clients throughout their life cycle – from growth stage funding to complex, large sized transactions later in the cycle.

Avendus Capital Inc. and Avendus Capital (UK) Pvt. Ltd. located in New York and London respectively are wholly owned subsidiaries offering M&A and Private Equity syndication services to clients in the respective regions.

For more information, please visit www.avendus.com