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BURGER KING INDIA LIMITED

Our Company was incorporated as “Burger King India Private Limited” under the Companies Act, 1956 at Mumbai, pursuant to a certificate of incorporation dated November 11, 2013, issued by the Registrar of Companies, Maharashtra at Mumbai (“RoC”). Subsequently, our Company was converted into a public limited company, the word ‘private’ was struck off from the name of our Company and consequently, a fresh certificate of incorporation dated September 25, 2019 was issued by the RoC, recording the change of our Company’s name to ‘Burger King India Limited’. For details of changes in the Registered Office, see “History and Certain Corporate Matters - Changes in the Registered Office” on page 133 of the Draft Red Herring Prospectus.

Registered and Corporate Office: Unit Nos.1003 to 1007, 10th Floor, Mittal Commercial, Asan Pada Rd, Chimatpada, Marol, Andheri (E), Mumbai, Maharashtra, 400 059; **Tel:** +91 22 7193 3099

Chief Financial Officer and Compliance Officer: Sumit Zaveri; **Tel:** +91 22 7193 3099; **E-mail:** investor@burgerking.in

Website: www.burgerkingindia.in; **Corporate Identity Number:** U55204MH2013FLC249986

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED NOVEMBER 2, 2019: NOTICE TO INVESTORS (THE “ADDENDUM”)

INITIAL PUBLIC OFFERING OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE FOR THE FRESH ISSUE) (“OFFER PRICE”) AGGREGATING UP TO ₹ [●] MILLION, COMPRISING A FRESH ISSUE OF [●] EQUITY SHARES AGGREGATING UP TO ₹ 4,000 MILLION BY OUR COMPANY (“FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 60,000,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY QSR ASIA PTE. LTD. (“PROMOTER SELLING SHAREHOLDER”) (“OFFER FOR SALE”, AND TOGETHER WITH THE FRESH ISSUE, “OFFER”). THE OFFER WILL CONSTITUTE [●]% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

Potential Bidders may note the following:

- The Draft Red Herring Prospectus currently states that the Offer comprises of a Fresh Issue of Equity Shares aggregating up to ₹ 4,000 million by our Company and an Offer for Sale of up to 60,000,000 Equity Shares by the Promoter Selling Shareholder. In view of the relaxation permitted by the Securities and Exchange Board of India (“SEBI”) vide circulars bearing reference nos. SEBI/HO/CFD/DIL1/CIR/P/2020/66 dated April 21, 2020 and SEBI/HO/CFD/DIL1/CIR/P/2020/188 dated September 29, 2020 (“SEBI Circulars”), the size of the Fresh Issue has been increased from up to ₹ 4,000 million to up to ₹ 6,000 million, as permitted under, and in accordance with the SEBI Circulars. Out of the ₹ 1,500 million reserved towards Pre-IPO Placement, our Company has, undertaken a Pre-IPO Placement by way of a rights issue of 1,32,00,000 Equity Shares to our Promoter Selling Shareholder for cash at a price of ₹ 44 per Equity Share aggregating to ₹ 580.80 million pursuant to the resolution of the Board dated May 23, 2020. The size of the Fresh Issue of up to ₹ 6,000 million has been reduced by ₹ 580.80 million pursuant to the Pre-IPO Placement, and accordingly, the Fresh Issue size is up to ₹ 5,419.20 million. Our Company may consider undertaking a Pre-IPO Placement of the balance amount of up to ₹ 919.20 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to the Offer size satisfying the minimum issue size requirements under the SCRR. The aforementioned changes are required to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus, including on the cover page and the sections titled “Definitions and Abbreviations”, “Summary of the Offer Document”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Other Regulatory and Statutory Disclosures” and “Offer Structure” and on pages 1, 15, 43, 57, 69, 277 and 291 of the Draft Red Herring Prospectus, respectively, stand amended to the extent stated in this Addendum. Please note that all other details and updates will be carried out in the Red Herring Prospectus and the Prospectus, as and when filed with the RoC.
- The Draft Red Herring Prospectus currently does not take into account the impact of the pandemic caused due to the worldwide spread of the novel coronavirus disease (“COVID-19”) on our business. The section titled, “Our Business”, has been updated to include the impact of COVID-19 on our business in this Addendum. Please note that all other details and updates will be carried out in the Red Herring Prospectus and the Prospectus, as and when filed with the RoC.

Potential Bidders may note that in order to assist the Bidders to get a complete understanding of the updated information, the relevant portions of the sections titled “Definitions and Abbreviations”, “Summary of the Offer Document”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Our Business”, “Other Regulatory and Statutory Disclosures” and “Offer Structure” have been included in this Addendum.

The above is to be read in conjunction with the Draft Red Herring Prospectus. The information in this Addendum supplements the Draft Red Herring Prospectus and this Addendum has been prepared as per the requirements set out under the SEBI Circulars which includes material updates to the information in the Draft Red Herring Prospectus, as applicable. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus and the Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchanges. All capitalised terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

For and on behalf of Burger King India Limited

Place: Mumbai
Date: October 21, 2020

Sd/-
Sumit Zaveri
Chief Financial Officer and Compliance Officer

BOOK RUNNING LEAD MANAGERS TO THE OFFER				REGISTRAR TO THE OFFER
Kotak Mahindra Capital Company Limited 1 st Floor, 27 BKC Plot No. 27, ‘G’ Block Bandra Kurla Complex Bandra (E) Mumbai, Maharashtra 400 051 Tel: +91 22 4336 0000 E-mail: burgerking.ipo@kotak.com Investor Grievance E-mail: kmccredressal@kotak.com Contact Person: Ganesh Rane Website: www.investmentbank.kotak.com SEBI Registration No.: INM000008704	CLSA India Private Limited 8 / F Dalamal House Nariman Point Mumbai, Maharashtra 400 021 Tel: +91 22 6650 5050 E-mail: burgerking.ipo@clsacsa.com Investor Grievance E-mail: investor.helpdesk@clsacsa.com Contact Person: Rahul Choudhary Website: www.india.clsacsa.com SEBI Registration No.: INM000010619	Edelweiss Financial Services Limited 14 th Floor, Edelweiss House Off C.S.T. Road, Kalina Mumbai, Maharashtra 400 098 Tel: +91 22 4009 4400 E-mail: burgerking.ipo@edelweissfin.com Investor Grievance E-mail: customerservice.mb@edelweissfin.com Contact Person: Disha Doshi/Nikhil Joshi Website: www.edelweissfin.com SEBI Registration No.: INM0000010650	JM Financial Limited 7 th Floor, Energy Appasaheb Marathe Marg Prabhadevi, Mumbai, Maharashtra 400 025 Tel: +91 22 6630 3030 E-mail: burgerking.ipo@jmfml.com Investor Grievance E-mail: grievance.ibd@jmfml.com Contact Person: Prachee Dhuri Website: www.jmfml.com SEBI Registration No.: INM000010361	Link Intime India Private Limited C-101, 1 st Floor, 247 Park, Lal Bahadur Shastri Marg Vikhroli (West) Mumbai, Maharashtra 400 083 Tel: +91 22 4918 6200 E-mail: burgerking.ipo@linkintime.co.in Investor grievance E-mail: burgerking.ipo@linkintime.co.in Contact Person: Shanti Gopalkrishnan Website: www.linkintime.co.in SEBI Registration No.: INR000004058
BID/OFFER PROGRAMME				
BID/OFFER OPENS ON		[●]*		
BID/OFFER CLOSING ON		[●]**		

* Our Company and the Promoter Selling Shareholder may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

** Our Company and the Promoter Selling Shareholder may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

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DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this Addendum. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto from time to time.

Term	Description
Fresh Issue	The fresh issue of up to [●] Equity Shares aggregating up to ₹ 5,419.20 million by our Company Our Company has undertaken and may further undertake a Pre-IPO Placement of such number of Equity Shares for cash consideration aggregating up to ₹ 1,500 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC In this regard, our Company has undertaken a Pre-IPO Placement by way of a rights issue of 1,32,00,000 Equity Shares to our Promoter Selling Shareholder for cash at a price of ₹ 44 per Equity Share aggregating to ₹ 580.80 million pursuant to the resolution of the Board dated May 23, 2020. The size of the fresh issue of up to ₹ 6,000 million has been reduced by ₹ 580.80 million pursuant to the Pre- IPO Placement, and accordingly, the fresh issue size is up to ₹ 5,419.20 million Our Company may consider undertaking a Pre-IPO Placement of the balance amount of up to ₹ 919.20 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to the Offer size satisfying the minimum issue size requirements under the SCRR
Pre-IPO Placement	The placement of such number of Equity Shares for cash consideration aggregating up to ₹ 1,500 million which may be undertaken by our Company, in consultation with the BRLMs, at its discretion in favour of such investors as permissible under applicable laws, to be completed prior to filing the Red Herring Prospectus with the RoC and the details of which, if completed, will be included in the Red Herring Prospectus In this regard, our Company has, undertaken a Pre-IPO Placement by way of a rights issue of 1,32,00,000 Equity Shares to our Promoter Selling Shareholder for cash at a price of ₹ 44 per Equity Share aggregating to ₹ 580.80 million pursuant to the resolution of the Board dated May 23, 2020. Our Company may consider undertaking a Pre-IPO Placement of the balance amount of up to ₹ 919.20 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The number of Equity Shares issued pursuant to the Pre-IPO Placement has been and will be reduced from the Fresh Issue, subject to the Offer size satisfying the minimum issue size requirements under the SCRR

SUMMARY OF THE OFFER DOCUMENT

Offer Size

Offer	[●] Equity Shares, aggregating up to ₹ [●] million
of which	
Fresh Issue ^{(1) (2)}	[●] Equity Shares, aggregating up to ₹ 5,419.20 million
Offer for Sale ⁽³⁾	Up to 60,000,000 Equity Shares, aggregating up to ₹ [●] million

⁽¹⁾ The Offer has been authorized by resolutions of our Board dated September 12, 2019, October 17, 2019, February 12, 2020 and October 19, 2020 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated October 23, 2019, February 14, 2020 and October 20, 2020.

⁽²⁾ Our Company has, undertaken a Pre-IPO Placement by way of a rights issue of 1,32,00,000 Equity Shares to our Promoter Selling Shareholder for cash at a price of ₹ 44 per Equity Share aggregating to ₹ 580.80 million pursuant to the resolution of the Board dated May 23, 2020. Our Company may consider undertaking a Pre-IPO Placement of the balance amount of up to ₹ 919.20 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The number of Equity Shares issued pursuant to the Pre-IPO Placement has been and will be reduced from the Fresh Issue, subject to the Offer size satisfying the minimum issue size requirements under the SCRR.

⁽³⁾ The Equity Shares being offered by the Promoter Selling Shareholder have been held for a period of at least one year immediately preceding the date of the Draft Red Herring Prospectus with the SEBI, and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For details of authorizations received for the Offer for Sale, see "Other Regulatory and Statutory Disclosures" beginning on page 277 of the Draft Red Herring Prospectus.

Objects of the Offer

The following table sets forth details of the proposed utilisation of the Net Proceeds:

Particulars	Amount (in ₹ million)
Funding roll out of new Company-owned Burger King Restaurants	4,322.42
(i) Repayment or prepayment of outstanding borrowings of our Company obtained for setting up of new Company-owned Burger King Restaurants; and	1,622.42
(ii) Capital expenditure incurred for setting up of new Company-owned Burger King Restaurants	2,700.00
General corporate purposes	[●] ⁽¹⁾
Net Proceeds	[●]

⁽¹⁾ To be determined on finalisation of the Offer Price and updated in the Prospectus. The amount utilised for general corporate purposes shall not exceed 25% of the Net Proceeds.

THE OFFER

Offer ⁽¹⁾⁽²⁾	Up to [●] Equity Shares, aggregating up to ₹ [●] million
of which	
Fresh Issue ⁽¹⁾⁽²⁾	[●] Equity Shares, aggregating up to ₹ 5,419.20 million
Offer for Sale ⁽³⁾ comprises:	Up to 60,000,000 Equity Shares, aggregating up to ₹ [●] million
The Offer comprises:	
A) QIB Portion ⁽⁴⁾⁽⁵⁾	Not less than [●] Equity Shares
of which:	
(i) Anchor Investor Portion	Up to [●] Equity Shares
of which:	
Available for allocation to Mutual Funds only	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
of which:	
(a) Mutual Fund Portion	[●] Equity Shares
(b) Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion ⁽⁵⁾	Not more than [●] Equity Shares
C) Retail Portion ⁽⁵⁾	Not more than [●] Equity Shares
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer	290,941,785 Equity Shares
Equity Shares outstanding after the Offer*	[●] Equity Shares
Utilisation of Net Proceeds	See “Objects of the Offer” beginning on page 6 of this Addendum for information about the use of the Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale

* To be updated upon finalization of the Offer Price.

- (1) Our Company has, undertaken a Pre-IPO Placement by way of a rights issue of 1,32,00,000 Equity Shares to our Promoter Selling Shareholder for cash at a price of ₹ 44 per Equity Share aggregating to ₹ 580.80 million pursuant to the resolution of the Board dated May 23, 2020. Our Company may consider undertaking a Pre-IPO Placement of the balance amount of up to ₹ 919.20 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The number of Equity Shares issued pursuant to the Pre-IPO Placement has been and will be reduced from the Fresh Issue, subject to the Offer size satisfying the minimum issue size requirements under the SCRR.
- (2) The Offer has been authorized by resolutions of our Board dated September 12, 2019, October 17, 2019, February 12, 2020 and October 19, 2020 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated October 23, 2019, February 14, 2020 and October 20, 2020.
- (3) The Equity Shares being offered by the Promoter Selling Shareholder have been held for a period of at least one year immediately preceding the date of the Draft Red Herring Prospectus with the SEBI, and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For details of authorizations received for the Offer for Sale, see “Other Regulatory and Statutory Disclosures” beginning on page 277 of the Draft Red Herring Prospectus.
- (4) Our Company and the Promoter Selling Shareholder may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Offer Procedure” beginning on page 293 of the Draft Red Herring Prospectus.
- (5) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company, the BRLMs and the Designated Stock Exchange. In the event of under-subscription in the Offer, Equity Shares shall be allocated in the manner specified in the section “Terms of the Offer” beginning on page 287 of the Draft Red Herring Prospectus.

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Addendum, is set forth below:

		(in ₹ except share data)	
		Aggregate value at face value	Aggregate value at Offer Price
A	AUTHORIZED SHARE CAPITAL		
	505,000,000 Equity Shares of face value of ₹10 each	5,050,000,000	-
B	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER		
	290,941,785 Equity Shares of face value ₹ 10 each ⁽¹⁾	2,909,417,850	-
C	PRESENT OFFER IN TERMS OF THE DRAFT RED HERRING PROSPECTUS		
	Offer of [●] Equity Shares ⁽²⁾⁽³⁾	[●]	[●]
	of which		
	Fresh Issue of [●] Equity Shares ⁽¹⁾⁽²⁾	[●]	Up to 5,419,200,000
	Offer for Sale of up to [●] Equity Shares ⁽³⁾	Up to 600,000,000	[●]
D	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER		
	[●] Equity Shares of face value of ₹ 10 each*	[●]	[●]
E	SECURITIES PREMIUM ACCOUNT		
	Before the Offer		3,809,882,150
	After the Offer		[●]

* To be updated upon finalization of the Offer Price.

- ⁽¹⁾ Our Company has, undertaken a Pre-IPO Placement by way of a rights issue of 1,32,00,000 Equity Shares to our Promoter Selling Shareholder for cash at a price of ₹ 44 per Equity Share aggregating to ₹ 580.80 million pursuant to the resolution of the Board dated May 23, 2020. Our Company may consider undertaking a Pre-IPO Placement of the balance amount of up to ₹ 919.20 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The number of Equity Shares issued pursuant to the Pre-IPO Placement has been and will be reduced from the Fresh Issue, subject to the Offer size satisfying the minimum issue size requirements under the SCRR.
- ⁽²⁾ The Offer has been authorized by resolutions of our Board dated September 12, 2019, October 17, 2019, February 12, 2020 and October 19, 2020 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated October 23, 2019, February 14, 2020 and October 20, 2020.
- ⁽³⁾ The Equity Shares being offered by the Promoter Selling Shareholder have been held for a period of at least one year immediately preceding the date of the Draft Red Herring Prospectus with the SEBI, and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For details of authorizations received for the Offer for Sale, see "Other Regulatory and Statutory Disclosures" beginning on page 277 of the Draft Red Herring Prospectus.

OBJECTS OF THE OFFER

The Offer comprises of a Fresh Issue and an Offer for Sale.

Offer for Sale

The Promoter Selling Shareholder will be entitled to the proceeds of the Offer for Sale net of its proportion of Offer related expenses. Our Company will not receive any proceeds from the Offer for Sale. Except for listing fees which shall be solely borne by our Company, all Offer expenses will be shared, upon successful completion of the Offer, between our Company and the Promoter Selling Shareholder in the manner agreed to among our Company and the Promoter Selling Shareholder and on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Equity Shares sold by the Promoter Selling Shareholder in the Offer for Sale.

Fresh Issue

The Net Proceeds from the Fresh Issue are proposed to be utilised in the following manner:

1. Funding roll out of new Company-owned Burger King Restaurants by way of:
 - (i) Repayment or prepayment of outstanding borrowings of our Company obtained for setting up of new Company-owned Burger King Restaurants; and
 - (ii) Capital expenditure incurred for setting up of new Company-owned Burger King Restaurants.
2. General corporate purposes.

In addition to the aforementioned objects, our Company intends to strengthen its capital base and expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, including among other things, enhancing the visibility of our brand and our Company and creation of a public market for our Equity Shares in India.

The main objects clause of the Memorandum of Association enables our Company (i) to undertake its existing business activities; and (ii) to undertake activities for which funds are being raised through the Fresh Issue.

Offer Proceeds and Net Proceeds

The following table sets forth details of the Net Proceeds:

Particulars	Amount (in ₹ million) ⁽¹⁾
Gross Proceeds of the Fresh Issue	5,419.20 ⁽²⁾
(Less) Offer related expenses in relation to the Fresh Issue	[●]
Net Proceeds	[●]

⁽¹⁾ To be determined after finalisation of the Offer Price and updated in the Prospectus.

⁽²⁾ After adjusting for the proceeds received pursuant to the Pre-IPO Placement by way of a rights issue of 1,32,00,000 Equity Shares to our Promoter Selling Shareholder for cash at a price of ₹ 44 per Equity Share aggregating to ₹ 580.80 million pursuant to the resolution of the Board dated May 23, 2020. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement, our Company has and may utilise the proceeds from such Pre-IPO Placement towards the objects of the Offer prior to completion of the Offer.

Utilisation of Net Proceeds

The following table sets forth details of the proposed utilisation of the Net Proceeds:

Particulars	Amount (in ₹ million)
Funding roll out of new Company-owned Burger King Restaurants	4,322.42
(i) Repayment or prepayment of outstanding borrowings of our Company obtained for setting up of new Company-owned Burger King Restaurants; and	1,622.42
(ii) Capital expenditure incurred for setting up of new Company-owned Burger King Restaurants	2,700.00
General corporate purposes	[●] ⁽¹⁾⁽²⁾
Net Proceeds	[●]

⁽²⁾ To be determined on finalisation of the Offer Price and updated in the Prospectus. The amount utilised for general corporate purposes shall not exceed 25% of the Net Proceeds.

⁽³⁾ After adjusting for the amount raised by way of Pre-IPO Placement through rights issue of 1,32,00,000 Equity Shares to our Promoter Selling Shareholder for cash at a price of ₹ 44 per Equity Share aggregating to ₹ 580.80 million pursuant to the resolution of the Board

dated May 23, 2020, for meeting our short term and long term working capital requirements.

Schedule of Implementation and Deployment of Net Proceeds

The following table sets forth details of the schedule of the expected deployment of the Net Proceeds:

(In ₹ million)

Particulars	Amount to be funded from the Net Proceeds	Estimated deployment		
		Fiscal 2021	Fiscal 2022	Fiscal 2023
Funding roll out of new Company-owned Burger King Restaurants	4,322.42	1,822.42	1,110.00	1,390.00
(i) Repayment or prepayment of outstanding borrowings of our Company obtained for setting up of new Company-owned Burger King Restaurants; and	1,622.42	1,622.42	-	-
(ii) Capital expenditure incurred for setting up of new Company-owned Burger King Restaurants	2,700.00	200.00	1,110.00	1,390.00
General corporate purposes ⁽¹⁾⁽²⁾	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]

⁽¹⁾ To be determined on finalisation of the Offer Price and updated in the Prospectus.

⁽²⁾ After adjusting for the amount raised by way of Pre-IPO Placement through rights issue of 1,32,00,000 Equity Shares to our Promoter Selling Shareholder for cash at a price of ₹ 44 per Equity Share aggregating to ₹ 580.80 million pursuant to the resolution of the Board dated May 23, 2020, for meeting our short term and long term working capital requirements.

The above-stated fund requirements and the proposed deployment of funds for funding roll out of new Company-owned Burger King Restaurants and general corporate purposes from the Net Proceeds are based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency, are based on quotations received from vendors and suppliers and are based on internal management estimates, which are subject to change in the near future. Further, these are based on current conditions and are subject to revisions in light of changes in external circumstances or costs, or our financial condition, business or strategy. For details of factors that may affect these estimates, see “*Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency, which may affect our business and results of operations*” on page 32 of the Draft Red Herring Prospectus.

Given the dynamic nature of our business, our Company may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors such as market conditions, competitive environment, interest or exchange rate fluctuations and finance charges, which may not be within the control of the management of our Company. This may entail rescheduling and revising the schedule of the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of the management of our Company in accordance with applicable law. In case of any increase in the actual utilisation of funds earmarked for the objects, such additional funds for a particular activity will be met by way of means available to our Company including from internal accruals. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, subject to applicable law. Further, our Company may decide to accelerate the estimated roll out of new Company-owned Burger King Restaurants as indicated below in “– *Details of the Objects of the Offer – Funding roll out of new Company-owned Burger King Restaurants*” on page 8 of this Addendum.

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects of the Offer, as per the estimated schedule of deployment specified above or as per the estimated roll out of new Company-owned Burger King Restaurants as indicated below in “– *Details of the Objects of the Offer – Funding roll out of new Company-owned Burger King Restaurants*”, our Company shall deploy the Net Proceeds in the subsequent Fiscal towards the aforementioned objects. Further, in case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the objects, our Company may explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the general corporate purposes for which funds are being raised in this Offer. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt, as required subject to compliance with applicable law. Further, our Company may, during the period of scheduled deployment, consider to set-up additional restaurants over and above the number of restaurants proposed to be set-up from the proposed utilisation of the Net Proceeds. The requirement of funds for setting-up of such additional restaurants will be met by way of internal accruals, by seeking additional debt

from existing and future lenders, surplus funds, if any, remaining after utilization of the Net Proceeds for the aforementioned objects or such other means as available to our Company. Our Company may also utilise any portion of the Net Proceeds, towards the aforementioned objects of the Offer, ahead of the estimated schedule of deployment specified above.

Means of Finance

The entire requirement of funds towards objects of the Fresh Issue will be met from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, in addition to the Net Proceeds.

Details of the Objects of the Offer

1. Funding roll out of new Company-owned Burger King Restaurants

Our Company proposes to utilise a portion of the Net Proceeds i.e. ₹ 2,700.00 million during Fiscal 2021, 2022 and 2023 towards expansion of Burger King restaurants in India. The details of the expansion plans of our Company in QSR business and the estimated costs proposed to be funded from the Net Proceeds are described below.

Under the Master Franchise and Development Agreement, our Company has been granted the exclusive right to develop, establish and operate and franchise the Burger King restaurants in India. Since opening of the first Burger King restaurants in India in November 2014, our Company has grown to a pan-India QSR chain with 261 restaurants, including eight sub-franchised restaurants, across 17 states and union territories and 57 cities across India as at September 30, 2020. As at the date of this Addendum, we had 255 Company-owned Burger King Restaurants and 8 Sub-Franchised Burger King Restaurants. The growth of our Company has been facilitated by a well-defined new-restaurant roll out process that enables it to identify locations and build out restaurants quickly, consistently and efficiently.

The following table sets forth the growth in and the total number of Burger King restaurants in India by region and operating structure for the period and as at March 31, 2015, 2016, 2017, 2018, 2019 and 2020 and as at September 30, 2020, respectively:

Growth in Our Restaurants Since March 31, 2015							
	As at March 31						As at September 30
	2015	2016	2017	2018	2019	2020	2020
	Number of Restaurants						
By region							
North	6	21	37	55	86	129	131
West	6	14	29	40	55	68	66
South	0	14	22	34	43	54	55
East	0	0	0	0	3	9	9
Total	12	49	88	129	187	260	261
By operating structure							
Company-owned	12	48	85	123	181	252	253
Sub-franchised	0	1	3	6	6	8	8
Total	12	49	88	129	187	260	261
Net additions during the year/period	12	37	39	41	58	73	1

Our Company now plans to leverage Burger King's globally recognised brand name and marketing initiatives, at driving footfalls and supporting same-store sales. Our Company plans to expand by setting-up new Company-owned Burger King Restaurants in various cities across India with the focus to meet the growing demand of western QSR culture amongst the consumers within these markets. Further, under the Master Franchise and Development Agreement, our Company is required to develop and open at least 700 restaurants (including Company-owned Burger King Restaurants and Sub-Franchised Burger King Restaurants) by December 31, 2026, which includes following cumulative opening requirements for calendar years 2019, 2020, 2021 and 2022, subject to a six month cure period if our Company has achieved at least 70% of the difference between such target and the total number of Burger King

restaurants opened in India on December 31st of the prior development year.

Period	Cumulative Opening Targets
Calendar Year 2019	250 Restaurants
Calendar Year 2020	250 Restaurants
Calendar Year 2021	300 Restaurants
Calendar Year 2022	370 Restaurants

Our Company proposes to set-up new Burger King Restaurants as indicated in the table above by a combination of Net Proceeds, internal accruals and/or loans from banking and financial institutions. The capital expenditure incurred and to be incurred by the Company for the purposes of setting up of these restaurants includes capital advances before commencement of the relevant work in future periods, payment of payables relating to the then current period, as well as settlement of payables with respect to prior periods. Capital advances are typically incurred for purchasing equipment in bulk for stores in pipeline after considering various facts including currency fluctuations, cost efficiency in bulk buying and other factors. These bulk equipment are stored at a warehouse before finally being moved to a particular store. The cash outflows on purchase of property, plant and equipment (PP&E), including right-of-use assets, capital work in progress and capital advances during the financial year ended March 31, 2020 amounted to ₹ 2,275.25 million.

Our Company proposes to open restaurants in line with the development schedule (provided in the table above). However, given the pattern of capital expenditure comprising capital work in progress and capital advances including part payables and advances, the amount of Net Proceeds proposed to be utilised in Fiscal 2021, 2022 and 2023 for funding roll out of new Company-owned Burger King Restaurants may not necessarily be utilised towards opening of a specific number of restaurants (but will be utilised towards the restaurants) opened by the Company in Fiscal 2021, 2022 and 2023.

Further, under the Master Franchise and Development Agreement, our Company has flexibility to open these Burger King Restaurants across pan India. Our restaurants are opened using a cluster approach and penetration strategy after conducting detailed analyses of the trade area quality of the location, which focuses on the demographics of the location and the businesses in the surrounding areas; the site quality, which focuses on site visibility, footfall generation, accessibility and parking; and the feasibility of the site, which focuses on whether there is enough space for its restaurant layout and operations at the site. Accordingly, the selection of site for our restaurants across the north, west, south and east region will be based on the location meeting the criteria stated above. The premises for the proposed new restaurants are expected to be taken on lease basis. Our Company has in the past conducted its roll out process in three phases (i.e. (i) Phase 1: site identification, evaluation and finalisation; (ii) Phase 2: site development; and (iii) Phase 3: pre-launch).

Since April 1, 2019 until the date of this Addendum, our Company has opened 76 Company-owned and Sub-Franchisee Burger King Restaurants (net of re-location), while the remaining restaurants are in pipeline at various stages of development like site finalisation, site development or under construction.

The details of the estimated capital expenditure for setting up of new Company-owned Burger King Restaurants are described below:

Details of capital expenditure for setting up of new Company-owned Burger King Restaurants

The costs for setting-up of new Company-owned Burger King Restaurants primarily comprises of set-up costs such as:

- (a) Equipment costs;
- (b) Leasehold improvements and other related costs;
- (c) Information technology infrastructure costs; and
- (d) Store opening franchise fees.

Methodology for computation of estimated costs

The size of our Burger King restaurant varies across regions and is dependent on various factors such as

type/format of the restaurant, availability of suitable locations, addressable market, lease rentals, competition within a given region or across regions. The size of Burger King restaurant ranges between about 400 square feet to 4,000 square feet depending on the type/format of restaurant such as high street locations, shopping malls, food courts, drive through and transit locations. Considering our business plan for setting-up new Company-owned Burger King Restaurants across regions, we have considered an average restaurant size of 1,300 square feet to 1,400 square feet (“Average Size”) for arriving at the estimated costs for setting-up a Burger King restaurant across regions. Our estimate of costs mentioned above are based on (i) quotations received from our empanelled contractors or from vendors from whom our Company has purchased similar items for our restaurants in the past, and management estimates; and (ii) our internal estimates for specifications and item requirements based on our prior experience of setting-up similar restaurant. All our restaurants are required to be constructed, equipped and furnished in accordance with the plans and specifications including the proposed kitchen layout, and approved list of equipment as provided under the Master Franchise and Development Agreement.

The table below sets forth the total estimated costs for setting-up of a new Company-owned Burger King restaurant of Average Size:

(in ₹ million)	
Particulars	Amount
Equipment costs	9.22
Leasehold improvements and other related costs	15.01
Information technology infrastructure costs	1.47
Store opening franchisee fees	2.57
Total estimated costs per restaurant	28.27

The detailed break-up of these estimated costs is as below:

- (a) *Equipment costs*: These costs would include, *inter alia*, the costs in relation to purchasing kitchen equipment, refrigeration and other related equipment. The table below sets forth the basis of our estimation for the equipment costs:

(in ₹ million)	
Particulars	Total estimated costs
Kitchen equipment	7.42 ⁽¹⁾
Refrigeration	0.66 ⁽²⁾
Other related equipment	1.14 ⁽³⁾
Total estimated costs per restaurant	9.22

⁽¹⁾ Kitchen equipment primarily include broiler, grill and fryer. Based on the quotations from OSR Equipment Services and Solutions dated October 1, 2020, Marmon Food & Beverage Technologies India Private Limited dated April 1, 2020, JMD Multisolutions dated October 1, 2020, and Middleby Celfrost Innovations Private Limited dated October 1, 2020. Fabricated equipment/ exhaust hoods/ upright holding cabinets are based on management estimates.

⁽²⁾ Refrigeration primarily include freezer room, chiller room and ice cube machine. Based on quotations from Carrier Airconditioning & Refrigeration Limited dated October 13, 2020, and Mittal International dated October 13, 2020.

⁽³⁾ Other related equipment primarily include gas works, detectors and small wares. Based on quotations from Core Projects dated October 13, 2020, and RK Suppliers dated October 1, 2020.

- (b) *Leasehold improvements and other related costs*: These costs would include, *inter alia*, costs in relation to fit-out charges including civil interior, designing, plumbing, HVAC (Heating, Ventilation and Air Cooling System), electrical, lighting, furniture, signage and pre-operational costs. The table below sets forth the basis of our estimation for the total leasehold improvements and other related costs:

(in ₹ million)	
Particulars	Total estimated costs
Civil interior, designing and plumbing, HVAC (Heating, Ventilation and Air Cooling System)	7.73 ⁽¹⁾
Electricals and lighting	4.10 ⁽²⁾
Furniture	0.64 ⁽³⁾
Signage	1.31 ⁽⁴⁾
Pre-operation costs	1.23 ⁽⁵⁾
Total estimated costs per restaurant	15.01

⁽¹⁾ Based on quotations from Kelvin Engineers dated October 9, 2020, V-Associates dated October 9, 2020, Patt &

- Panchal Associates dated October 15, 2020, and Voltas Limited dated October 12, 2020.
- (2) Based on quotations from Accutech Power Solutions Private Limited dated October 9, 2020, TRX Audio Visual Systems dated October 9, 2020, Focus Lighting & Fixtures Limited dated October 9, 2020, Jakson Limited dated October 12, 2020, Keec (I) Private Limited dated October 9, 2020, Jindal Rectifiers dated October 9, 2020 and Tech Evangelist Private Limited dated October 10, 2020.
- (3) Based on quotation from KIAN Falcon India Private Limited dated October 11, 2020.
- (4) Based on quotation from Vishal Arts Sign & Graphics Private Limited dated October 10, 2020.
- (5) Pre-operation costs primarily include commission and brokerage, and security expenses. Based on management estimates.

- (c) **Information technology infrastructure costs:** These costs would include, *inter alia*, the costs for purchasing and installing information technology equipment such as servers, desktops, laptops, printers, CCTV and purchasing software licenses. The table below sets forth the basis of our estimation for these costs:

(in ₹ million)	
Particulars	Total estimated costs
Information technology equipment costs	1.08 ⁽¹⁾
Software license costs	0.39 ⁽²⁾
Total estimated costs per restaurant	1.47

- (1) Information technology equipment costs primarily includes LCD monitor, wallmount, printer, kiosk enclosure and time attendance devices. Based on quotations from Arihant Infomatics dated October 4, 2020, Corporate TeleSystem Private Limited dated October 5, 2020, I-Four Transformation Private Limited dated October 5, 2020, Posiflex Technology (India) Private Limited dated October 7, 2020.
- (2) Based on quotations from NCR Corporation India Private Limited dated October 8, 2020 and Softline Services India Private Limited dated October 13, 2020.

- (d) **Store opening franchisee fees:** This would include, *inter alia*, the franchisee fees aggregating to ₹ 2.57 million (exchange rate of 1US\$ amounting to ₹ 73.41 as on October 13, 2020) incurred in relation to the Company-owned Burger King Restaurants for different calendar years to be paid to BK AsiaPac in terms of the Master Franchise and Development Agreement.

Our Company may have not entered into any definitive agreements with any or all of these contractors/vendors and there can be no assurance that the same contractors/vendors would be engaged to eventually supply the materials. Our Promoter or Directors or KMPs have no interest in the proposed procurements, as stated above.

Funding for setting up of new Company-owned Burger King Restaurants

As indicated above, our Company proposes to utilise a portion of the Net Proceeds towards expansion of Burger King restaurants in India during Fiscal 2021, 2022 and 2023 and the total estimated capital expenditure (“**Total Estimated Capital Expenditure**”) proposed to be financed by our Company using the Net Proceeds aggregates to ₹ 4,322.42 million:

Accordingly, our Company proposes to utilise ₹ 4,322.42 million of Net Proceeds for funding the Total Estimated Capital Expenditure in the following manner:

- (i) Repayment or prepayment of outstanding borrowings of our Company aggregating up to ₹ 1,622.42 million utilised solely for the purposes of setting up of new Company-owned Burger King Restaurants during Fiscal 2020. For details, see “– *Repayment or prepayment of outstanding borrowings of our Company obtained for setting up of new Company-owned Burger King Restaurants*”; and
- (ii) Utilising an amount aggregating to ₹ 2,700.00 million towards the capital expenditure to be incurred for setting up of new Company-owned Burger King Restaurants during Fiscal 2021, 2022 and 2023.

Repayment or prepayment of outstanding borrowings of our Company obtained for setting up of new Company-owned Burger King Restaurants

In the past, our Company has typically used equity capital, CCPS capital and internal accruals to finance our capital expenditure for restaurants. In furtherance of our plan to expand our footprint by setting-up new Company-owned Burger King Restaurants, our Company has utilised the loan facility availed by our Company to fund a portion of the Total Capital Expenditure. As of October 14, 2020, of the drawn down funds we have utilised ₹ 1,622.42 million for incurring capital expenditure for setting up of new

Company-owned Burger King Restaurants, including stores which were at various stages of development since April 2019. Accordingly, ₹ 1,622.42 million of the Net Proceeds would be utilised to prepay or repay the outstanding amount drawn down under the loan facility. The proposed financing plan would enable us to fund the roll out of some of our restaurants as envisaged for Fiscal 2021. Repayment of such loan facility through the Net Proceeds would help us keep leverage levels low.

The repayment or prepayment will reduce debt servicing cost and enable utilization of the internal accruals for further investment in business growth and expansion. Given the nature of the borrowing and the terms of prepayment or repayment, the aggregate outstanding borrowing amount may vary from time to time. Further, the amount outstanding under such borrowing as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate drawdowns, repayments and enhancement of sanctioned limits.

The following table sets forth details of the borrowing availed by our Company, out of which our Company will repay, such borrowing:

Sr. no.	Name of the lender	Nature of borrowing	Purpose for which loan was sanctioned	Prepayment penalty, if any ⁽¹⁾	Amount sanctioned	Principal amount outstanding as on October 14, 2020 ⁽²⁾
					(in ₹ million)	(in ₹ million)
1.	ICICI Bank Limited	Term loan	Opening new restaurants and renovation/refurbishment of existing restaurants and transaction related expenses and towards funding expenses pertaining to the Offer subject to a cap of ₹ 200 million	Premium of 1% on the principal amount of the loan being prepaid	2,100.00	1,810.00 ⁽³⁾
	Total				2,100.00	1,810.00

⁽¹⁾ For details, see “Financial Indebtedness – Principal terms of the borrowing availed by us – Prepayment penalty” on page 240 of the Draft Red Herring Prospectus.

⁽²⁾ In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, which requires a certificate from the statutory auditor, certifying the utilization of loan for the purposes availed, our Company has obtained requisite certificate dated October 21, 2020 in this regard.

⁽³⁾ Out of the principal amount outstanding as on October 14, 2020, we have utilised ₹ 1,622.42 million for the purposes of setting up of new Company-owned Burger King Restaurants during Fiscal 2020, ₹ 64.18 million for IPO expenses, ₹ 38.02 million for refurbishment of old stores and transaction related expenses, and balance has not been utilised as on October 14, 2020.

In the event that Net Proceeds are insufficient for the prepayment or repayment of outstanding borrowings of our Company, such payment shall be made from the internal accruals of our Company. Our Company may also be required to provide notice to our lender prior to such repayment or prepayment.

Further, our Company confirms that the borrowing was neither directly nor indirectly transferred to any Promoter, Promoter Group, or KMPs as on date of this Addendum.

In due course of business, due to various operational benefits, our Company may explore possibilities of other banks participating in existing loan either in full or in part, including the loan mentioned above. In addition to the above, our Company may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are prepaid or repaid, refinanced or further drawn-down prior to the completion of the Offer, our Company may utilise the Net Proceeds towards prepayment or repayment of such additional indebtedness availed by us, subject to such loans being utilised to fund the roll out of new Company-owned Burger King Restaurants.

Financing of the capital expenditure proposed to be incurred for setting up of new Company-owned Burger King Restaurants

To the extent the Total Estimated Capital Expenditure is not already financed through the loan mentioned hereinabove, our Company intends to utilise ₹ 2,700.00 million of the Net Proceeds towards financing the capital expenditure incurred for setting up of new Company-owned Burger King Restaurants during Fiscal 2021, 2022 and 2023. The details of the expansion plans of our Company in QSR businesses and

the estimated costs proposed to be funded from the Net Proceeds are described above.

2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] million (net of issue expenses in relation to the Fresh Issue) towards general corporate purposes, subject to such utilisation not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. The amount proposed to be utilized towards general corporate purposes has been adjusted towards the amount raised by way of Pre-IPO Placement through rights issue of 1,32,00,000 Equity Shares to our Promoter Selling Shareholder for cash at a price of ₹ 44 per Equity Share aggregating to ₹ 580.80 million pursuant to the resolution of the Board dated May 23, 2020, for meeting our short term and long term working capital requirements.

The general corporate purposes for which our Company proposes to utilise Net Proceeds include brand building, marketing efforts, strengthening of the marketing capabilities, acquisition of fixed assets, meeting expenses incurred towards any strategic initiatives, partnerships, tie-ups, joint ventures or acquisitions, investments in future subsidiaries of our Company, funding towards our objects, long term or short term working capital requirements, other capital expenditure requirements including for refurbishment, new product development, part or full debt prepayment or repayment by our Company, meeting exigencies and expenses incurred by our Company in the ordinary course of business, as may be applicable.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board of Directors or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board of Directors, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of our Board of Directors, shall have flexibility in utilising surplus amounts, if any.

Offer Expenses

The total Offer related expenses are estimated to be approximately ₹ [●] million. The Offer related expenses consist of listing fees, underwriting fees, selling commission and brokerage, fees payable to the BRLMs, legal counsel to our Company, the Promoter Selling Shareholder and the BRLMs, Registrar to the Offer, Bankers to the Offer including processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, fees payable to the Sponsor Bank for Bids made by RIBs using UPI, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. Except for listing fees which shall be solely borne by our Company, all Offer expenses will be shared, upon successful completion of the Offer, between our Company and the Promoter Selling Shareholder in the manner agreed to among our Company and the Promoter Selling Shareholder and on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Equity Shares sold by the Promoter Selling Shareholder in the Offer for Sale. However, in the event that the Offer is withdrawn by our Company or not completed for any reason whatsoever, all the Offer related expenses will be solely borne by our Company. Any payments by our Company in relation to the Offer expenses on behalf of the Promoter Selling Shareholder shall be reimbursed by the Promoter Selling Shareholder to our Company, upon successful completion of the Offer, inclusive of taxes. The following table sets forth details of the break-up for the estimated Offer expenses:

Activity	Estimated offer expenses ⁽¹⁾ (in ₹ million)	As a % of total estimated Offer expenses ⁽¹⁾	As a % of the total Offer size ⁽¹⁾
Book Running Lead Managers fees and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs and Bankers to the Offer and fees payable to the Sponsor Bank for Bids made by RIBs using UPI ⁽²⁾	[●]	[●]	[●]
Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs	[●]	[●]	[●]

Activity	Estimated offer expenses ⁽¹⁾ (in ₹ million)	As a % of total estimated Offer expenses ⁽¹⁾	As a % of the total Offer size ⁽¹⁾
and CDPs ⁽³⁾			
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Other advisors to the Offer	[●]	[●]	[●]
Others	[●]	[●]	[●]
- listing fees, SEBI filing fees, book-building software fees	[●]	[●]	[●]
- printing and stationery	[●]	[●]	[●]
- fee payable to legal counsels	[●]	[●]	[●]
- advertising and marketing	[●]	[●]	[●]
Miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses*	[●]	[●]	[●]

* Pursuant to the corporate rupee loan facility agreement and working capital facility agreement, each dated March 6, 2020, our Company has availed credit facilities from ICICI Bank Limited for ₹ 900 million, which may be partially utilised towards funding expenses pertaining to the Offer subject to a cap of ₹ 200 million. The amount from the abovementioned facility utilised for funding the expenses pertaining to the Offer will be repaid from the Offer Proceeds.

⁽¹⁾ Amounts will be finalised on determination of Offer Price.

⁽²⁾ For SCSBs.

Selling commission payable to the SCSBs on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured and uploaded by them would be as follows:

Portion for Retail Individual Investors	0.35% of the amount allotted* (plus applicable taxes)
Portion for Non-Institutional Investors	0.20% of the amount allotted* (plus applicable taxes)

* Amount allotted is the product of the number of Equity Shares Allotted and the Issue Price

No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.

The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

Processing fees payable to the SCSBs of ₹ 10 per valid application (plus applicable taxes) for processing the Bid cum Application of Non-Institutional Investors procured from the Syndicate /Sub-Syndicate Members/Registered Brokers /RTAs /CDPs and submitted to SCSBs for blocking and Retail Individual Investors application using 3-in-1 type accounts.

⁽³⁾ For Syndicate (including their Sub-Syndicate Members), RTAs, Registered Brokers and CDPs

Brokerages, selling commission and processing/uploading charges on the portion for Retail Individual Investors (using the UPI mechanism) and portion for Non-Institutional Investors which are procured by members of Syndicate (including their Sub-Syndicate Members), RTAs, Registered Brokers and CDPs or for using 3-in-1 type accounts-linked online trading, demat and bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Investors	0.35% of the amount allotted* (plus applicable taxes)
Portion for Non-Institutional Investors	0.20% of the amount allotted* (plus applicable taxes)

* Amount allotted is the product of the number of Equity Shares Allotted and the Issue Price

The selling commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

The payment of Selling Commission payable to the sub-brokers / agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

The Selling Commission payable to the RTAs, Registered Brokers and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

Uploading Charges/ Processing Charges of ₹ 30 valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs, Registered Brokers and CDPs:

- for applications made by Retail Individual Investors using the UPI Mechanism

Uploading Charges/ Processing Charges of ₹ 10 valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs, Registered Brokers and CDPs:

- for applications made by Retail Individual Investors using 3-in-1 type accounts
- for Non-Institutional Bids using Syndicate ASBA mechanism / using 3-in-1 type accounts,

The Bidding/uploading charges payable to the Syndicate / Sub-Syndicate Members, RTAs, Registered Brokers and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

⁽²⁾ For Sponsor Bank

Processing fees for applications made by Retail Individual Investors using the UPI mechanism will be

<i>Sponsor Bank</i>	<i>₹ 8 per valid Bid cum Application Form * (plus applicable taxes).</i> <i>The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.</i>
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** For each valid application*

Interim use of Net Proceeds

Our Company, in accordance with the policies formulated by our Board of Directors from time to time, will have flexibility to deploy the Net Proceeds. Pending utilisation of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Financing Facilities

Except as disclosed in “– Offer Expenses”, our Company has not raised any bridge loans from any bank or financial institution as on the date of this Addendum, which are proposed to be repaid from the Net Proceeds.

Variation in Objects

In accordance with sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by our Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to our Shareholders in relation to the passing of such special resolution (“**Postal Ballot Notice**”) shall specify the prescribed details as required under the Companies Act, 2013. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoter will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal, at a price and in such manner as may be prescribed by SEBI in Regulation 59 and Schedule XX of the SEBI ICDR Regulations.

Monitoring Agency

ICICI Bank Limited has been appointed as the Monitoring Agency for monitoring the utilisation of net proceeds and Offer related expenses as our Offer size (excluding the Offer for Sale by the Promoter Selling Shareholder) exceeds ₹1,000 million, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Net Proceeds and Offer related expenses.

Pursuant to the SEBI Listing Regulations, our Company shall disclose the application of the Net Proceeds and Offer related expenses to the Audit Committee on a quarterly basis. The Audit Committee shall make recommendations to our Board of Directors for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Addendum and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Net Proceeds and Offer related expenses have been utilised in full. The statement shall be certified by the statutory auditors of our Company.

Furthermore, in accordance with the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including deviations, if any, in the utilisation of the Net Proceeds and Offer related expenses of the Offer from the objects of the Offer as stated above and details

of category wise variation in the actual utilisation of the Net Proceeds and Offer related expenses of the Offer from the objects of the Offer as stated above. The information will also be published in newspapers simultaneously with the submission of such information to the Stock Exchanges, after placing the same before the Audit Committee. We will disclose the utilisation of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilised clearly specifying the purpose for which such Net Proceeds have been utilised.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, our Board of Directors, our Key Managerial Personnel or our Group Companies. Except in the normal course of business and in compliance with applicable law, there are no existing or anticipated transactions in relation to utilisation of Net Proceeds with our Promoter, our Board of Directors, our Key Managerial Personnel, or our Group Companies.

OUR BUSINESS

COVID-19

The outbreak of the COVID-19 pandemic, as well as GoI measures to reduce the spread of COVID-19, have had a substantial impact on our restaurant operations since last week of March 2020, and the timing of how long the COVID-19 pandemic and the related GoI measures will last is still uncertain. In addition, our restaurants in different states and regions in India have been disproportionately affected by COVID-19 and the measures implemented in each state have varied due to regional and regulatory differences in each state in India. As a result of COVID-19, we and our sub-franchisees have had to close temporarily a number of restaurants across India commencing from March 2020 and have experienced reduced store-level operations, including reduced operating hours and dining-room closures. During the initial stage of the COVID-19 crisis, footfalls and sales in our restaurants fell significantly due to the lockdown and other measures implemented by the GoI. Our footfalls and sales have since started to recover, although not yet to levels we saw prior to the COVID-19 crisis. As of the date of filing of this Addendum, our restaurants in all cities across India, where we have presence, have reopened, often with limited operations. As of the date of the filing of this Addendum, the majority of our restaurants have opened for dine-in guests; however, the capacity may be limited, based on local regulations. In addition, the COVID-19 pandemic has directly impacted our same-store sales in our restaurants. Although our same-store sales grew at 29.21% in Fiscal 2019, our same-store sales decreased by 0.30% in Fiscal 2020 and by 56.9% in the six months ended September 30, 2020. The reduction in level of business activity due to COVID-19 crisis has also led to write offs of food inventory and related commitments since our inventory includes food items which are perishable in nature. Similarly, our administrative offices have also experienced closures and certain of our employees have been restricted from commuting to their places of work. As of September 30, 2020, we had 4,836 employees compared to 6,141 as of March 31, 2020.

During the COVID-19 crisis, to the extent our restaurants were not permitted to provide dine-in services but were allowed to remain open, we have focused our business on drive-thru, takeaway and delivery (as applicable). In certain circumstances, we have undertaken certain temporary changes to our store formats, such as moving cash registers and service counters closer to the restaurant entrance to facilitate take away and delivery. We have also implemented high standards of safety and hygiene protocols across our restaurants covering guest safety, crew safety, sanitisation, social distancing, temperature checks and safe deliveries.

We have also launched an improved version of our BK mobile app. The features of the new version of our BK Mobile App includes (i) the Omni Channel experience in ordering for dine-in, takeaway and delivery (ii) the BK Crown loyalty program, and (iii) exclusive offers through digital coupons. The BK mobile app also permits contactless ordering and payment for both takeout and dine-in. Delivery and our collaboration with delivery aggregators also now represents a larger portion of our sales compared to the pre-COVID-19 period. In addition, we have worked on improving our product offering with respect to quality, menu architecture, meal combos and recipe improvements. We have also improved our packaging significantly to enhance the delivery and takeaway customer experience.

One of our key strategies has been the expansion of our restaurant network in line with our obligations under Master Franchise and Development Agreement. For details, see “Our Business” starting on page 123 of the Draft Red Herring Prospectus. In light of the COVID-19 pandemic, the expansion of our restaurant network has slowed significantly, and the COVID-19 pandemic has also adversely affected our ability to open new restaurants and expand our restaurant network. We have delayed some new restaurant openings and will continue to evaluate the pace and quantity of new restaurant openings and the expansion of our restaurant network until more clarity on the restaurant industry operating environment in India emerges. The following table sets forth the growth of our restaurant network since December 31, 2019:

Growth in Our Restaurants Since December 31, 2019					
	As at December 31, 2019	As at March 31, 2020	As at June 30, 2020	As at September 30, 2020	As at October 15, 2020
	Number of Restaurants				
Opening number of restaurants at the beginning of the relevant quarter ⁽¹⁾	202 ⁽²⁾	255	260	259	261
Number of Company-owned (net) added during the relevant quarter	52	5	(1)	2	2
<i>New stores opened in the relevant quarter</i>	53	6	2	4	2

Growth in Our Restaurants Since December 31, 2019					
	As at December 31, 2019	As at March 31, 2020	As at June 30, 2020	As at September 30, 2020	As at October 15, 2020
	Number of Restaurants				
Stores permanently closed in the relevant quarter	1	1	(3)	(2)	0
Opening number of sub-franchised restaurants at the beginning of the relevant quarter ⁽¹⁾	7	8	8	8	8
Sub-franchised restaurants added during the relevant quarter ⁽³⁾	1	0	0	0	0
Total	255	260	259	261	263
Total number of operational restaurants	255	59	189	226	239

⁽¹⁾ Includes the opening number of sub-franchised restaurants at the beginning of the relevant quarter.

⁽²⁾ This opening figure is as on June 30, 2019.

⁽³⁾ As at September 30, 2020, all of our sub-franchised restaurants remain temporarily closed. As at October 15, 2020, one of our sub-franchised restaurants had reopened.

Under the Master Franchise and Development Agreement, our Company is required to develop and open at least 700 restaurants (including Company-owned Burger King Restaurants and Sub-Franchised Burger King Restaurants) by December 31, 2026, which has recently been extended by one year from December 31, 2025 due to the COVID-19 crisis.

The financial impact of COVID-19 has had, and is expected to continue to have, an adverse effect on our liquidity, and we are working closely with our Promoter to monitor and assess our access to appropriate sources of liquidity in order to sustain our business throughout this crisis. In May 2020, we completed a rights issue pursuant to which we allotted 13,200,000 Equity Shares to our Promoter for cash at a price of ₹44 per Equity Share aggregating to ₹580.80 million. As of September 30, 2020, we also have access to liquidity in the amount of ₹292.32 million under our term loan and credit facilities from ICICI Bank Limited pursuant to our corporate rupee loan facility agreements and working capital facility agreement, each dated March 6, 2020. We have also engaged in rent relief negotiations with all of our landlords, and arrived at negotiated agreements with respect to reductions in rent and our rental obligations during the COVID-19 crisis with a majority of our landlords. In addition, the salaries of senior management and certain other support centre employees were reduced temporarily. We have also negotiated revised commercial terms during COVID-19 crises with other service providers, and we have managed our inventory through promotions, reorganisation and liquidation of stocks. This has provided us with working capital support and additional liquidity. However, depending on how long the COVID-19 pandemic lasts, we may need to seek additional sources of liquidity. The COVID-19 pandemic is adversely affecting the availability of liquidity generally in the credit markets, and there can be no guarantee that additional liquidity from other sources will be available to us on favourable terms, or at all, especially the longer the COVID-19 pandemic lasts or if it were to worsen. While we cannot currently estimate the duration or future negative financial impact of the COVID-19 pandemic on our business or our sub-franchisees, we expect the negative effects to continue into the third quarter of Fiscal 2021.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board has approved the Offer pursuant to its resolutions dated September 12, 2019, October 17, 2019, February 12, 2020 and October 19, 2020, and our Shareholders have approved the Fresh Issue pursuant to the special resolutions dated October 23, 2019, and October 20, 2020 under section 62(1)(c) of the Companies Act, 2013. Further, the Board has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholder pursuant to its resolution dated October 17, 2019 and has approved the Draft Red Herring Prospectus pursuant to its resolution dated October 24, 2019.

The Offer for Sale has been authorised by the board of directors of the Promoter Selling Shareholder pursuant to a resolution passed at its meeting held on October 18, 2019 and it has consented to participate in the Offer for Sale of up to 60,000,000 Equity Shares pursuant to their consent letter dated October 31, 2019.

OFFER STRUCTURE

Offer of [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] million comprising of a Fresh Issue of [●] Equity Shares aggregating up to ₹ 5,419.20 million by our Company and an Offer of Sale of up to 60,000,000 Equity Shares aggregating up to ₹ [●] million by QSR Asia.

Our Company has, undertaken a Pre-IPO Placement by way of a rights issue of 1,32,00,000 Equity Shares to our Promoter Selling Shareholder for cash at a price of ₹ 44 per Equity Share aggregating to ₹ 580.80 million pursuant to the resolution of the Board dated May 23, 2020. Our Company may consider undertaking a Pre-IPO Placement of the balance amount of up to ₹ 919.20 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The number of Equity Shares issued pursuant to the Pre-IPO Placement has been and will be reduced from the Fresh Issue, subject to the Offer size satisfying the minimum issue size requirements under the SCRR.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum to the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all the statements in this Addendum to the Draft Red Herring Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

Shivakumar Pullaya Dega
(Chairman and Independent Director)

Rajeev Varman
(Chief Executive Officer and Whole Time Director)

Ajay Kaul
(Non-Executive Director)

Amit Manocha
(Non-Executive Director)

Jaspal Singh Sabharwal
(Non-Executive Director)

Peter Perdue
(Non-Executive Director)

Sandeep Chaudhary
(Independent Director)

Tara Subramaniam
(Independent Director)

SIGNED BY THE CHIEF FINANCIAL OFFICER

Sumit P. Zaveri
(Chief Financial Officer)

Place: Mumbai

Date: October 21, 2020

DECLARATION BY THE PROMOTER SELLING SHAREHOLDER

The undersigned Promoter Selling Shareholder hereby confirms that all statements and undertakings specifically made by us in this Addendum to the Draft Red Herring Prospectus in relation to ourselves, as a Promoter Selling Shareholder and the Equity Shares offered for sale by the Promoter Selling Shareholder, are true and correct. We assume no responsibility for any other statements including statements made by or relating to the Company or any other person(s) in this Addendum to the Draft Red Herring Prospectus.

Signed for and on behalf of QSR Asia Pte. Ltd.

Authorised Signatory

Name: Poh Chin Boon

Designation: Director

Date: October 21, 2020