



PRESS RELEASE

FOR IMMEDIATE CIRCULATION

## **WESTLIFE DEVELOPMENT LTD SECURES COURT APPROVAL TO MAKE HARDCASTLE RESTAURANTS A DIRECT SUBSIDIARY**

- ◆ **BOMBAY HIGH COURT APPROVES WESTLIFE DEVELOPMENT SCHEME OF ARRANGEMENT MAKING HARDCASTLE RESTAURANTS PRIVATE LIMITED, A MASTER FRANCHISEE FOR WEST & SOUTH INDIA OPERATIONS OF MCDONALD'S RESTAURANTS, A DIRECT SUBSIDIARY**
- ◆ ***BOARD APPROVES PREFERENTIAL ALLOTMENT OF 54,04,593 SHARES TO ARISAIG INDIA FUND AT ₹ 333.05 PER SHARE; BUSINESS VALUATION OF ₹ 5000 CRORES; AGGREGATING TO ₹ 180 CRORES***
- ◆ ***MERGER APPROVAL PAVES WAY FOR EXPANSION OF EQUITY BASE TO 15 CRORE SHARES***

**Mumbai, July 23, 2013:** Westlife Development Limited, a company listed on the Bombay Stock Exchange (BSE : 505533), today announced that the Bombay High Court had approved Westlife Development Ltd's (WDL's) scheme of arrangement for consolidation of its subsidiaries. ***As a result of the consolidation, Hardcastle Restaurants Private Limited (HRPL), a Master Franchisee for west & south India operations of McDonald's Restaurants, is now a direct subsidiary of Westlife Development Limited (WDL).***

The Scheme of Arrangement involves the consolidation of B.L. Jatia group companies, HRPL (through its majority shareholder, Triple A Foods), and Westpoint Leisureparks Pvt. Ltd (majority shareholder of Triple A Foods), under Westlife Development Limited. The B.L. Jatia family holds majority ownership in these companies.

The WDL Board, which met here today, approved preferential allotment of Equity shares to Arisaig India Fund Ltd. Arisaig India Fund is a registered Singapore headquartered FII and part of Arisaig Partners. Arisaig Partners is a fund management company with USD 5 billion in assets across emerging markets. It specializes in investing in dominant consumer companies in its markets for the very long term. Established in 1996, the fund has been investing in India for over a decade and is a shareholder in a number of large consumer businesses.

The company will allot a total of 54,04,593 Fully Paid Equity Shares to Arisaig India Fund Ltd; amounting to 3.47 percent stake in the company. The price is ₹333.05 per share comprising of ₹2 per share towards face value and ₹331.05 towards premium. The shares of the company are currently trading at ₹322.05. The Company will raise ₹180 crore through the preferential issue. The transaction is subject to applicable regulations and approval of the shareholders of the company.



As a consequence of the merger of the companies, the equity base of Westlife Development would expand to 15 crore shares.

The preferential allotment to Arisaig will have a lock-in period of one year from the date of allotment.

**Commenting on the merger, Mr. Amit Jatia, Vice-Chairman of Westlife Development Limited said,** *“The consolidation of our companies under Westlife Development opens up options for us to accelerate our growth plans for expanding McDonald’s restaurants in west and south India. The consolidation will also open up opportunities for the India market to invest in the growth of the McDonald’s Franchisee, HRPL, through Westlife Development.”*

*“There has been a huge demand for Westlife shares ever since we submitted the scheme to the Court. Interested investors will be able to actively participate in the company through a much larger base of available shares, once the new shares start trading.”*

*“The funds raised through the preferential allotment will be used to invest in the growth of our business, aggressively increase our retail footprint, fortify our presence in the existing markets and enable us to enter newer markets. We have an outstanding brand and an aligned system that makes us uniquely well-positioned to benefit from the available growth opportunities. We are committed to further strengthening our business and increasing our market share by building upon the solid foundation that we already have. We are confident that we have the right plans in place to differentiate the McDonald’s experience and strengthen our business momentum for the long term”, adds Mr. Amit Jatia.*

WDL reported consolidated revenues of ₹6843mn in FY13, riding on a strong revenue growth of 25% of its subsidiary, Hardcastle Restaurants Pvt. Ltd. The company delivered strong growth in a challenging market situation on the back of new restaurant openings and a system wide comparable sales growth of 6.2%, year-on-year against a backdrop of difficult consumer sentiment in the marketplace.

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**About Westlife Development:**

Westlife Development Limited was set up by the eminent Mumbai- based B.L. Jatia family. The company is listed on the Bombay Stock Exchange (BSE : 505533). Westlife Development Limited has widespread interests in trading, hospitality and the quick service restaurant industry. The company is headquartered in Mumbai, Maharashtra.

**About Hardcastle Restaurants:**

Hardcastle Restaurants Pvt Ltd is a McDonald’s franchisee with rights to own & operate McDonald’s restaurants in India’s west and south markets. HRPL has been a franchisee in this part of India since its inception in 1996. HRPL is guided by a leadership vision and a set of core values that ensure its operations are conducted in a socially and environmentally responsible manner. The Company is firmly committed to its



People and the community in which it operates, and actively models its good corporate citizenship through initiatives focused on Sustainability, Nutrition, Wellbeing and Respect for Local Culture.

The pillars of the McDonald's system – Quality, Service, Cleanliness and Value – are evident at each of the restaurants where HRPL operates.

Celebrating over 16 years of leadership in food service retail in India, HRPL today serves approximately 165 million customers, annually, at 166 restaurants in the states of Andhra Pradesh, Gujarat, Karnataka, parts of Madhya Pradesh, Maharashtra, Tamil Nadu and Kerala. The company provides employment to more than 6,500 employees.

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