



Hospitality & Facility Management Services

CIN : U74930MH2006PLC159290

ISO 9001 : 2008
ISO 14001 : 2004
OHSAS 18001 : 2007

OUR SERVICES :

- ◆ Housekeeping Mgmt.
- ◆ Guest House Mgmt.
- ◆ Property Mgmt.
- ◆ Pest Control Mgmt.
- ◆ Front Office Mgmt.
- ◆ Gardening Mgmt.
- ◆ Building Maintenance Mgt.
- ◆ Catering / Pantry Mgmt.

"YOUR IMAGE IS OUR BUSINESS"

To,
Listing Compliance Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400051, Maharashtra, India.

Date: August 21, 2019

Company Symbol: KHFM (Series: SM)

Subject: Investor Presentation

Dear Sir/Madam,

With reference to the above captioned subject, we have enclosed herewith a Presentation made for investors / analysts.

This is for your kind information and for public at large.

Kindly take the above information on your record.

For and Behalf of

KHFM HOSPITALITY AND FACILITY MANAGEMENT SERVICES LIMITED


Anubhav Shrivastava
Company Secretary & Compliance Officer
Place: Mumbai



KHFM Hospitality & Facility Management Services Ltd.

REGD. OFFICE : 01, "NIRMA PLAZA, MAKHWANA ROAD, MAROL NAKA, ANDHERI (E), MUMBAI - 400 059.

MOBILE : +91 9987870000, +91 9987574333 HELLO : +91-22-28511234, +91-22-28514141

Tele Fax : +91-22-2859 1483 Email : sales@khfm.in Website : www.khfm.in



HOUSEKEEPING MANAGEMENT



FACILITY MANAGEMENT



GARDENING MANAGEMENT



SECURITY SERVICES



INVESTOR PRESENTATION AUGUST 2019

The information contained in this presentation is only current as of its date. Please note that the past performance of the company is not and should not be considered as, indicative of future results.

This presentation may contain certain statements of future expectations and other forward-looking statements, including those relating to our general business plans and strategy, our future financial condition and growth prospects and future developments in our sector and our competitive and regulatory environment. In addition to statements which are forward looking by reason of context, the words „may“, „will“, „should“, „expects“, „plans“, „intends“, „anticipates“, „believes“, „estimates“, „predicts“, „potential“ or „continue“ and similar expressions identify forward looking statements. All forward looking statements are subject to risks, uncertainties and assumptions that could cause actual results, performances or events to differ materially from the results contemplated by the relevant forward looking statement. The factors which may affect the results contemplated by the forward looking statements could include, amongst others, future changes or developments in (i) the Company's business, (ii) the Company's competitive environment, and (iii) political, economic, legal and social conditions in India.

The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events or otherwise. Unless otherwise stated in this document, the information contained herein is based on management information and estimates.

The information contained herein is subject to change without notice and past performance is not indicative of future results. Company may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such revision or changes. This presentation may not be copied and disseminated in any manner.



**KHFM at
a glance**



**Management
Profile**



**Business
Operations**



**Business
Model**



**Industry
Stats**



**Key Ratios &
Financial
Statement**





Housekeeping Management



Security Services



Hospitality & Catering Services



Gardening Management



COMPANY OVERVIEW



71+

CLIENTS AS ON
31ST MARCH, 2019



2200+

COMPANY
EMPLOYEES



13

STATES COVERING
25 CITIES



70%

CLIENT RETENTION
IN 2 YEARS



300+

CONTRACT HIRED



35yrs

EXPERIENCE OF
PROMOTERS



462mn

FACILITY
MANAGEMENT

 1850



265mn

HOSPITALITY SERVICES
AND CATERING

 452



44mn

HORTICULTURE AND
GARDENING

 188



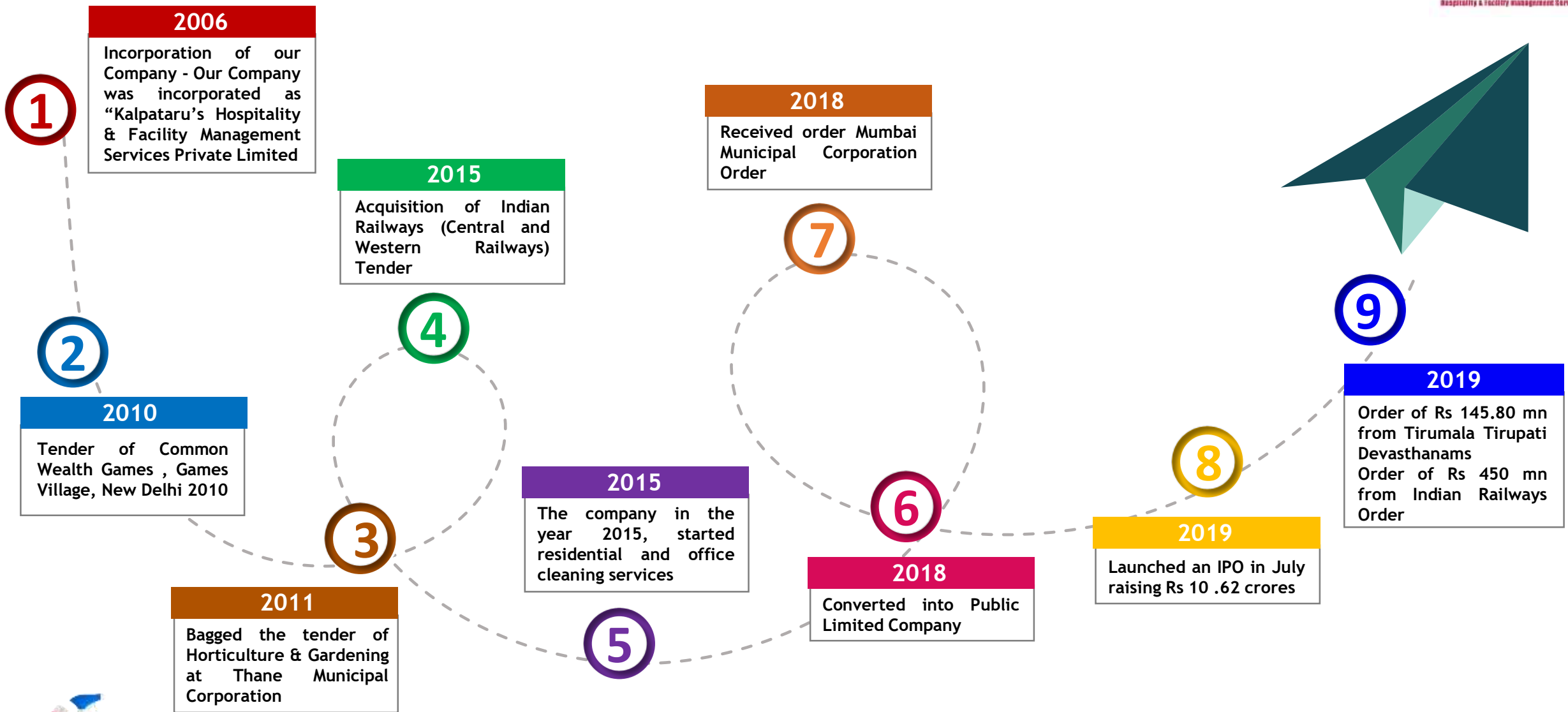
8.4mn

SECURITY
SERVICE

 15

KHFM is focused on providing integrated hospitality and facility management services

JOURNEY TILL DATE





Experience
team of
professionals
with domain
expertise



Diverse
Portfolio of
service
offerings



High return
ratios



Diversified
customer
base



Direct
operation and
widespread
domestic
presence





Housekeeping Management



Security Services



Hospitality & Catering Services



Gardening Management



MANAGEMENT PROFILE

KEY MANAGEMENT PERSONNEL



MR. RAVINDRA MALINGA HEGDE

Chairman and Managing Director

His experience of 35 years spans across Facility and Hospitality Management and is responsible for the overall management of company operations, client onboarding and strategic decisions on the operations. Being a Science graduate majoring in Chemistry is a member of the Indian Pest Control Association (IPCA).



MR. NAVEEN CARVALLO

Chief Financial Officer

He brings with him more than 20 years of rich and varied experience. It includes managing company accounts and other financial activities. He plays an integral role of looking after financial operations and has been with KHFM since the last 23 years. He holds a diploma in Computer Science.



MRS. SUJATA RAVINDRA HEGDE

Promoter and Executive Director

She has been with the company since its inception. Having an experience of over 20 years in the field of handling financial and administrative activities. She oversees quality checks as per ISO Standards across all the functional sites.



MR. ANUBHAV SHRIVASTAVA

Company Secretary and Compliance Officer

He is associated with KHFM since August 2018. He is a member of Institute of Company Secretary of India (ICSI) and obtained a Post Graduate Diploma in Management (PGDM) from Asian School of Business Management, Bhubaneswar. His responsibility entails looking after the statutory, regulatory requirements and for ensuring that decisions of our Board are implemented.



MR. SAURAV RAVINDRA HEGDE

Non-Executive Director

He holds Diploma in Computer Engineering from Maharashtra State Board of Technical Education, Mumbai and currently is pursuing B.Tech (Bachelor of Technology) from Manipal University. He has been on the Board of our Company since April 23, 2018. He has an experience of approx 1 year in Digital Marketing.





ISO
22000:2005



OHSAS
18001:2007



ISO
14001:2015



ISO
9001:2015





Housekeeping Management



Security Services



Hospitality & Catering Services



Gardening Management

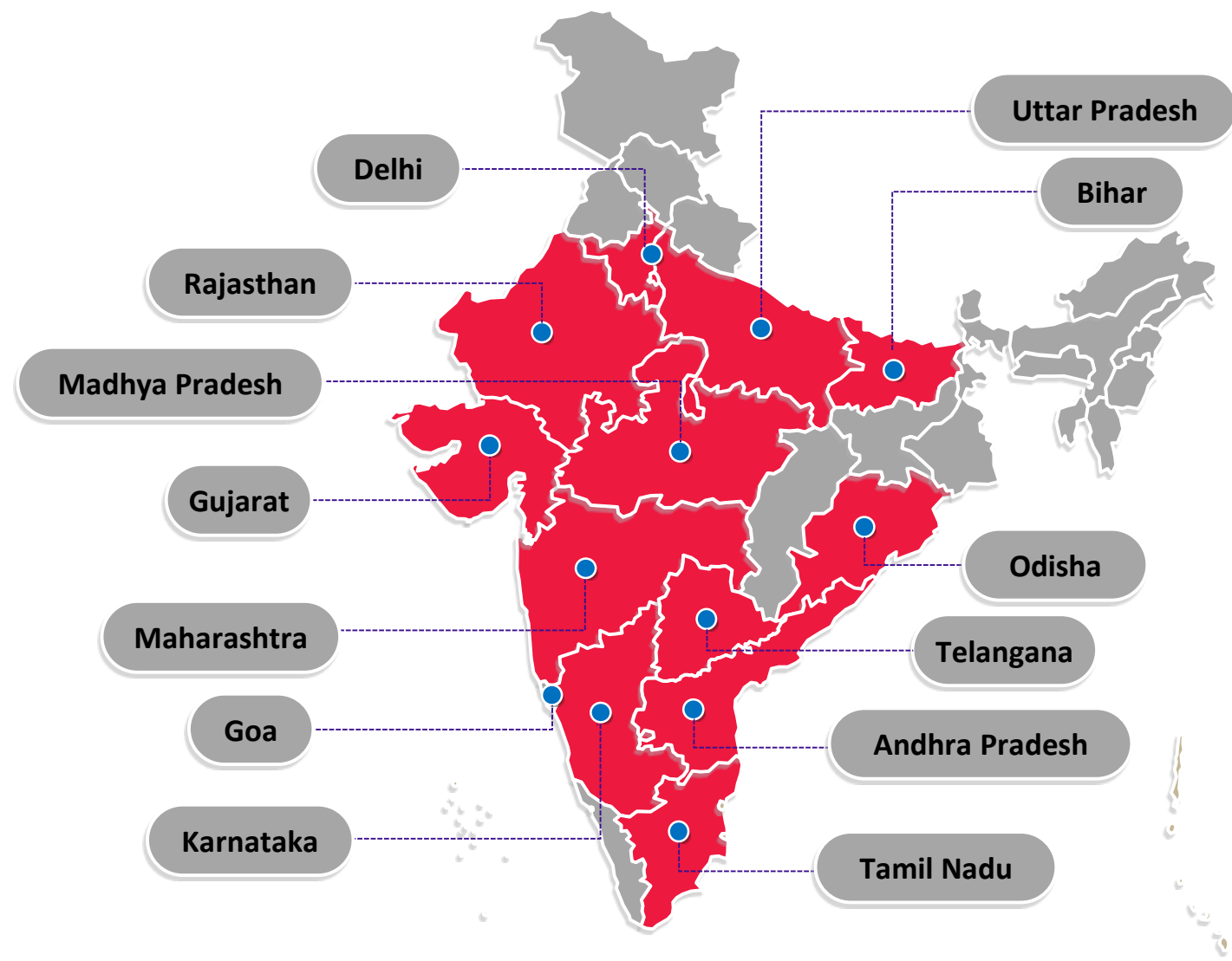


BUSINESS OPERATIONS

FOOTPRINTS ACROSS INDIA



13
STATES



25
CITIES



MARQUEE CLIENTELES





Housekeeping Management



Security Services



Hospitality & Catering Services

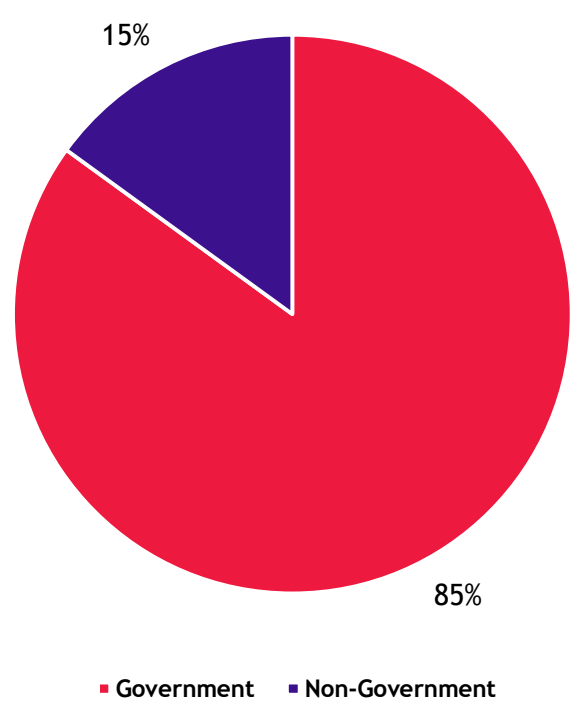


Gardening Management

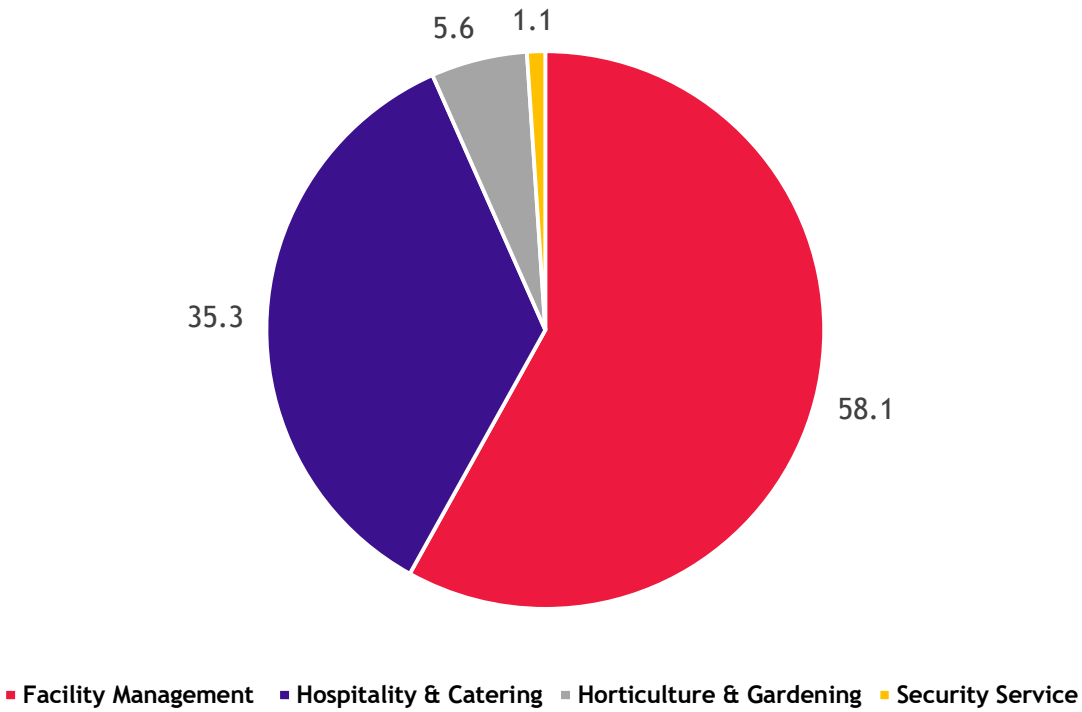


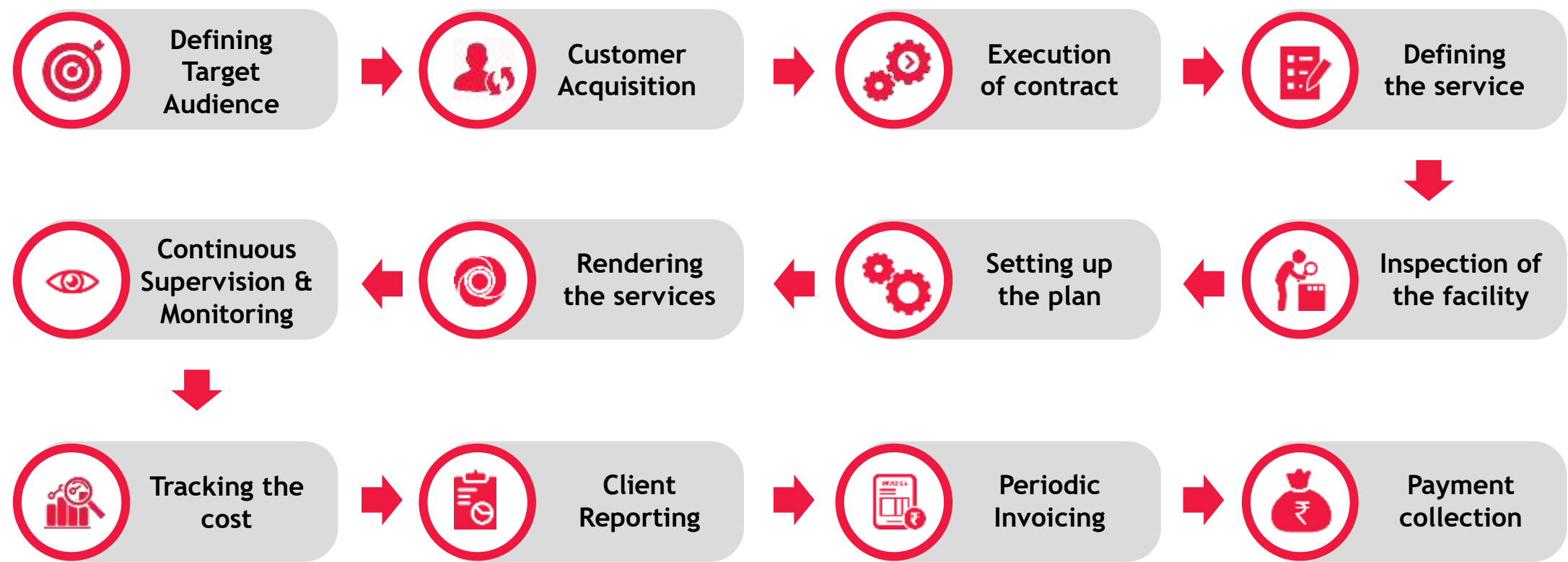
BUSINESS MODEL

Contracts Awarded



Sales Break up (%)





FACILITY MANAGEMENT



MECHANIZED HOUSEKEEPING SERVICES

As the name suggest this kind of service involves using wide array of tools and equipment like scrubbers, vacuum cleaner, steam machines, high pressure water sprayers etc. for PSU's, corporates and other clientele. The objective of this offering is to create a clean and healthy environment.

As per sources of news “the organized cleaning industry in India has witnessed a growth rate of 30-50 per cent in the last five years with an annual turnover of Rs. 1800 cr “



PEST CONTROL

KHFM is a member of the Indian Pest Control Association (IPCA). The services encompassed under Pest Control include rodent termination, mosquitoes control for municipal corporations, termite control etc.

As per Indian Pest Control Association ““The pest control industry in India is growing at more than 15 % per annum However, lack of skilled technicians, operating constraints and lengthy approval procedure and absence of uniform guidelines for testing are hampering the growth of the market”



SOLID WASTE MANAGEMENT

KHFM services under solid waster management entail waste collection, segregation and transferring for bio-composing treatment

According to the Press Information Bureau, India generates 62 million tonnes of waste (mixed waste containing both recyclable and non-recyclable waste) every year, with an average annual growth rate of 4% (PIB 2016)



HORTICULTURE AND GARDENING

This is an aesthetic branch of horticulture and includes services like Lawns Development, Seasonal Flower Beds, Creepers & Ground Covers, and Green Landscaping.



HOSPITALITY AND CATERING MANAGEMENT

KHFM expertise's in offering best in class Catering and Hospitality manpower services to leading restaurants and hotels chains across India.

KHFM provides end to end services which include Room Service, Guest house management, concierge etc.

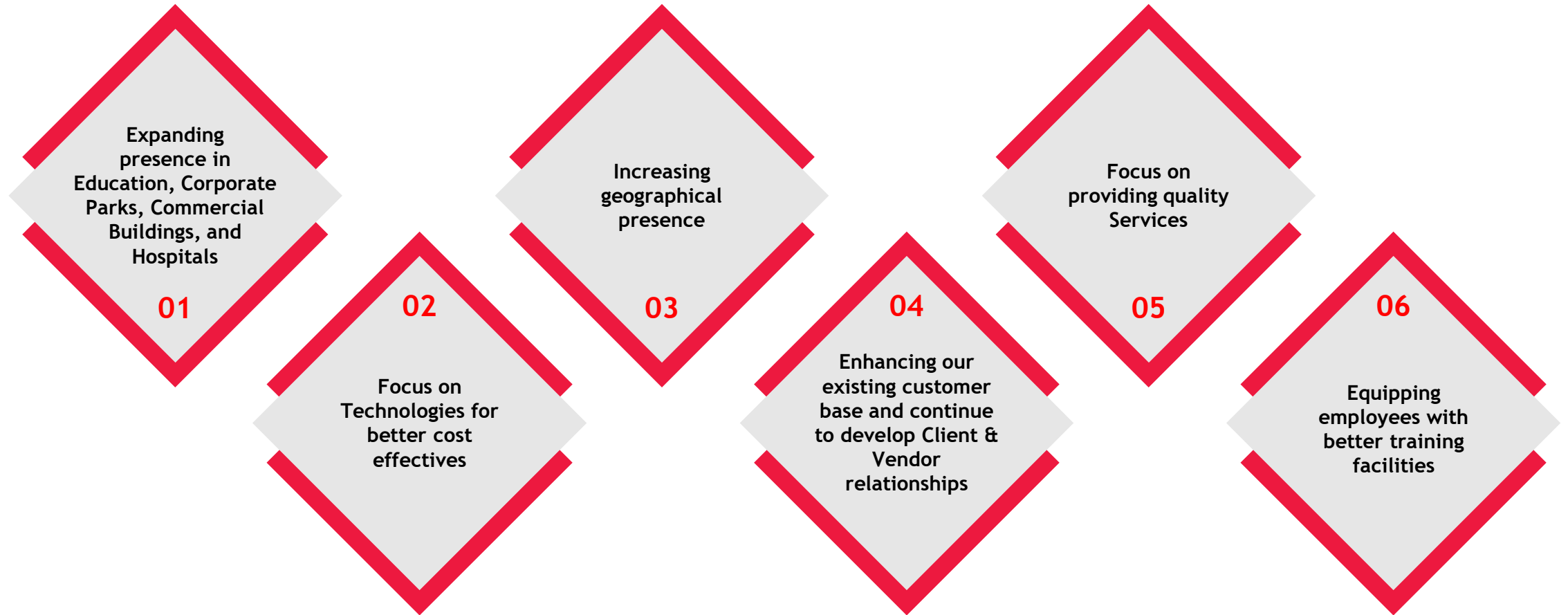
As per a latest report by HVS ANAROCK 'India Hospitality Industry Review 2018' report, predicts the RevPAR to grow by 9.5% in 2019



SECURITY SERVICES

KHFM services under solid waste management entail waste collection, segregation and transferring for bio-composting treatment

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Housekeeping Management



Security Services



Hospitality & Catering Services

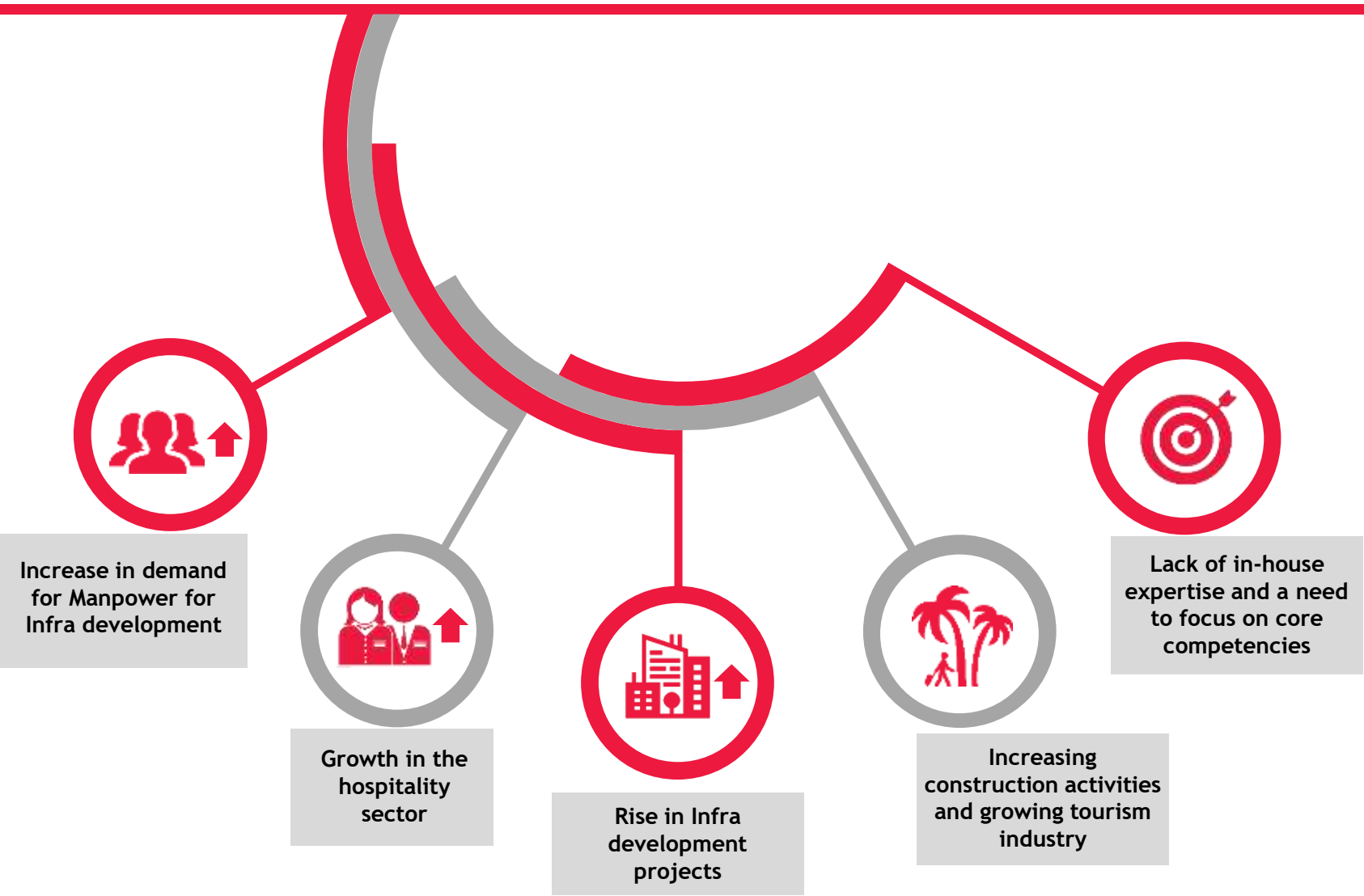


Gardening Management

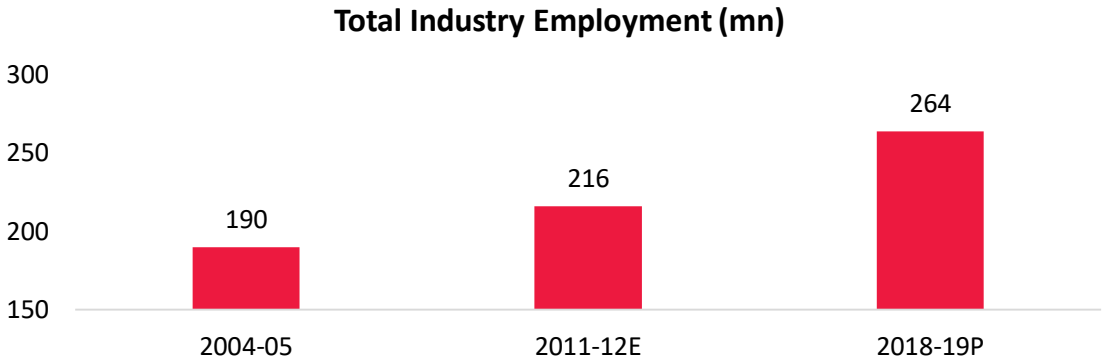


INDUSTRY STATS

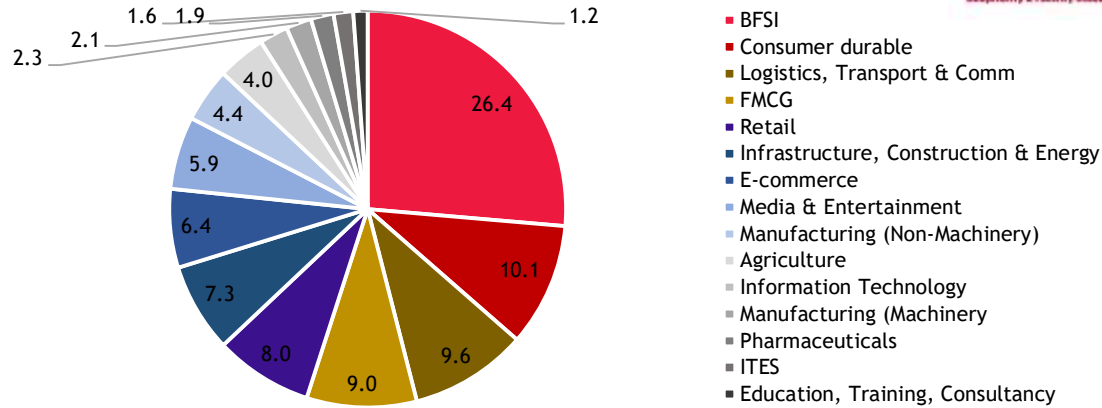
DEMAND DRIVERS FOR THE INDUSTRY



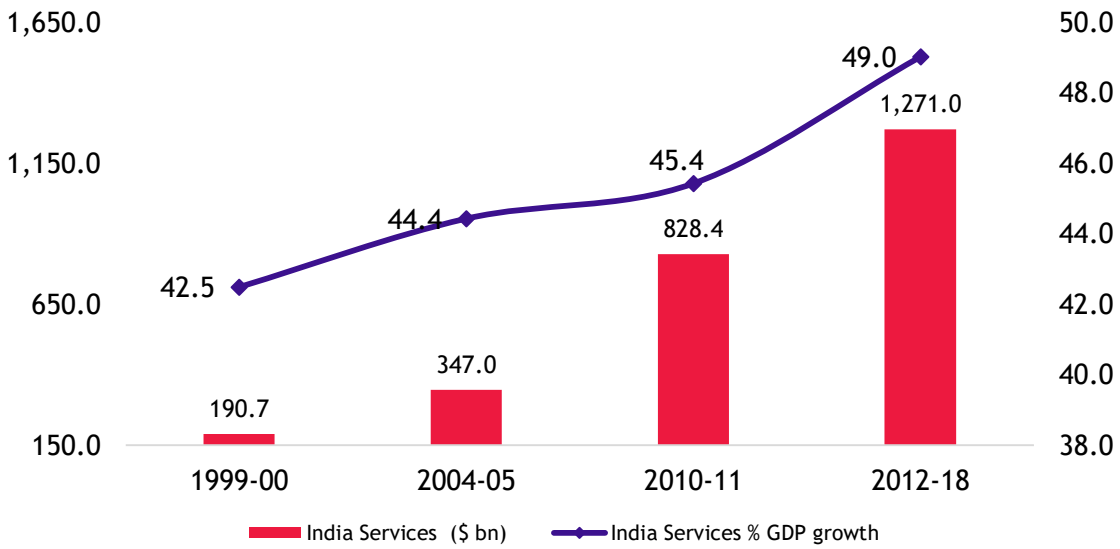
INDIA'S DEMOGRAPHIC SNAPSHOT



Source: CRISIL Reports

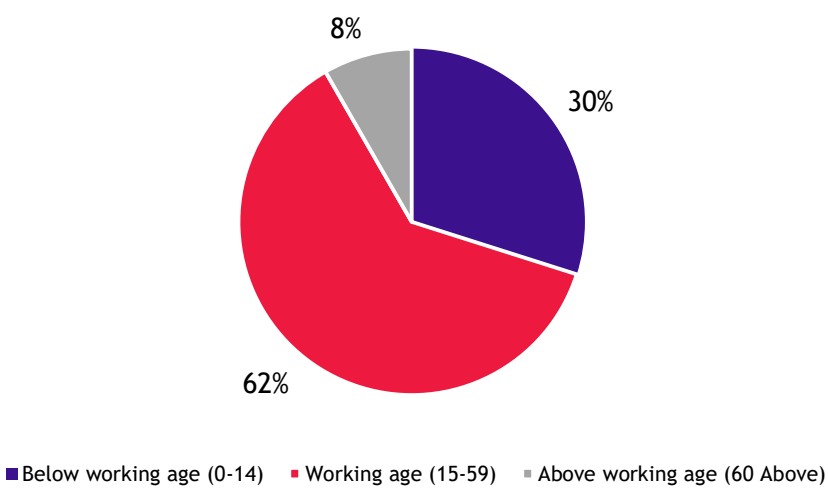


Source: India Staffing, Organized Flexi- Staffing (Apr-June 18)



Source: World Bank

Distribution of persons by age group (2011-2012)



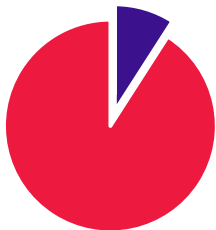
Source: NSSO



Facility Management (FM) refers to the use of a third-party service providers to maintain a part or entire building facility in a professional manner.

It is increasingly gaining popularity amongst commercial as well as residential clients driven by modernization, rapid urban development and a growing awareness of advantages arising from outsourcing non-core business activities.

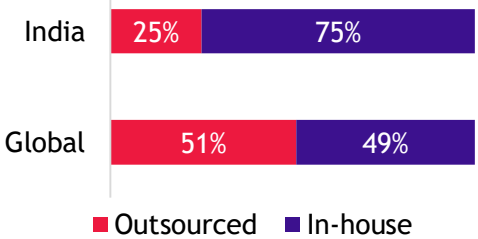
The Indian facility management market accounts for 3.2% of the GDP of the country and is at present an INR 5 lakh crore market and is expected to grow at a rate of 20 - 25% annually.



The market is highly fragmented with relatively few organized players. However, with the growing formalization of the economy, the proportion of organized players is steadily increasing.

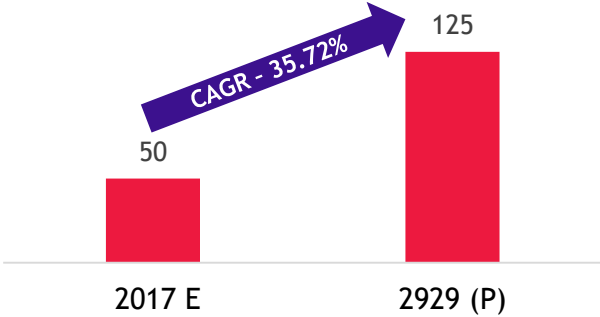
SEGMENTATION OF FACILITY MANAGEMENT SERVICES

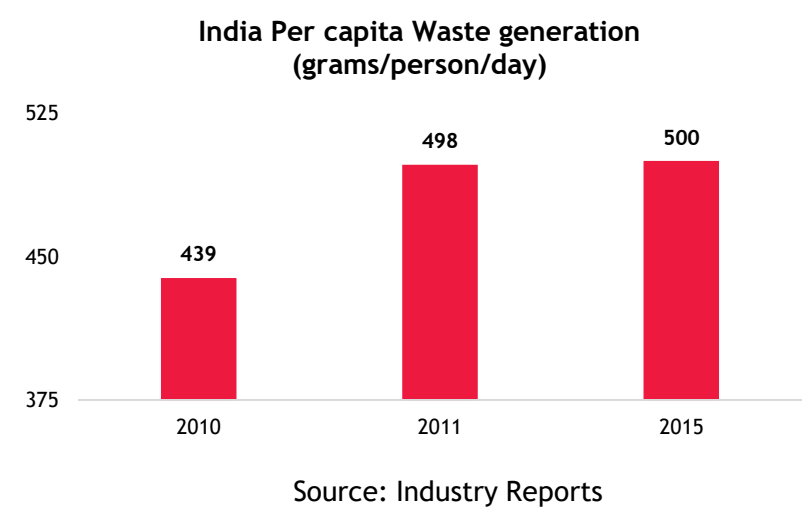
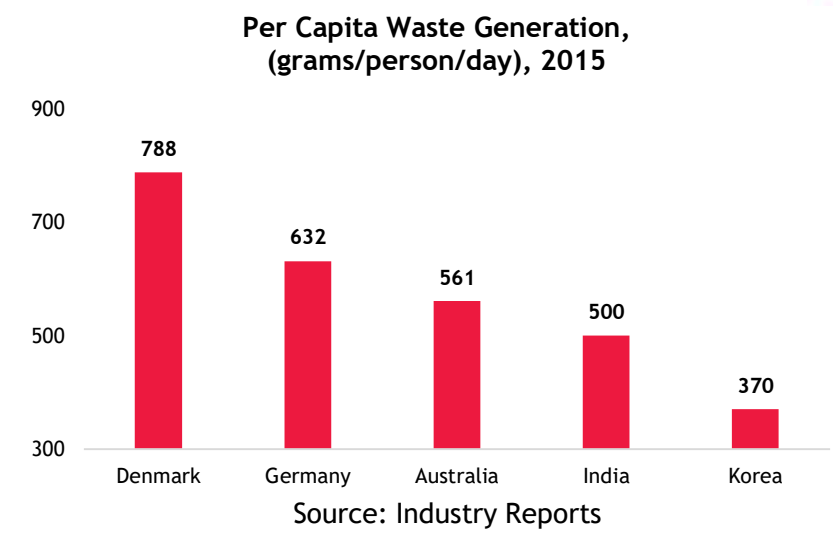
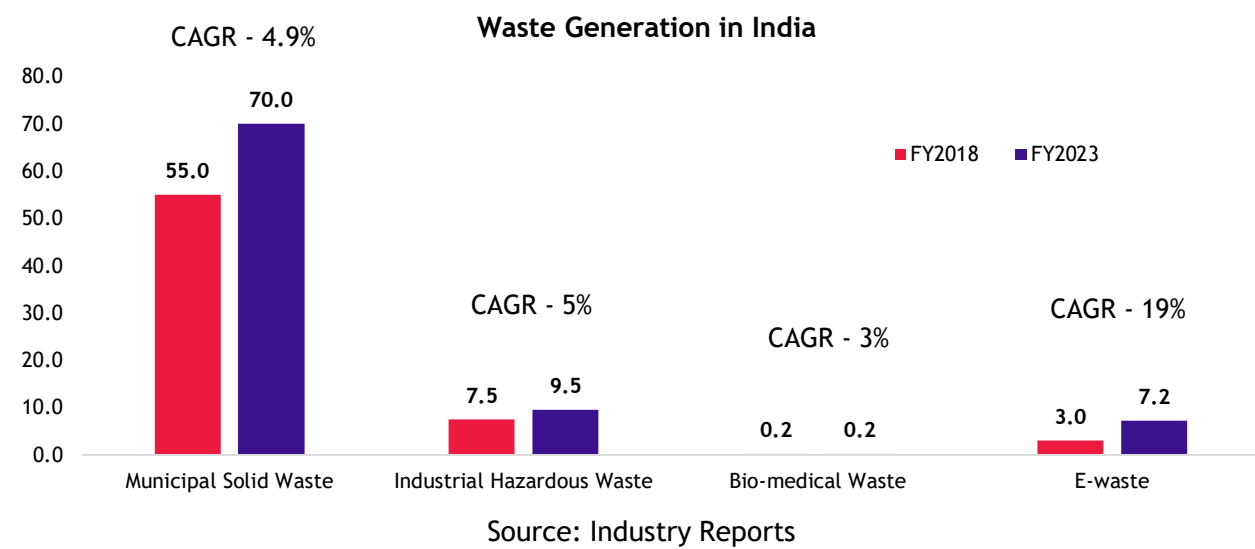
HARD FACILITY MANAGEMENT SERVICES	SOFT FACILITY MANAGEMENT SERVICES
 Security Services	 Cleaning, Janitorial & Housekeeping Services
 Mechanical, Electrical and HVAC Maintenance	 Pest Control Services
 Plumbing Services	 Catering
 Asset Management Services	 Business Support Services (Office & Help Desk Support etc.)
 Short term Repairs & Preventive Maintenance Services	 Gardening & Landscaping
 Energy Management	 Guest House & Service Apartment Management



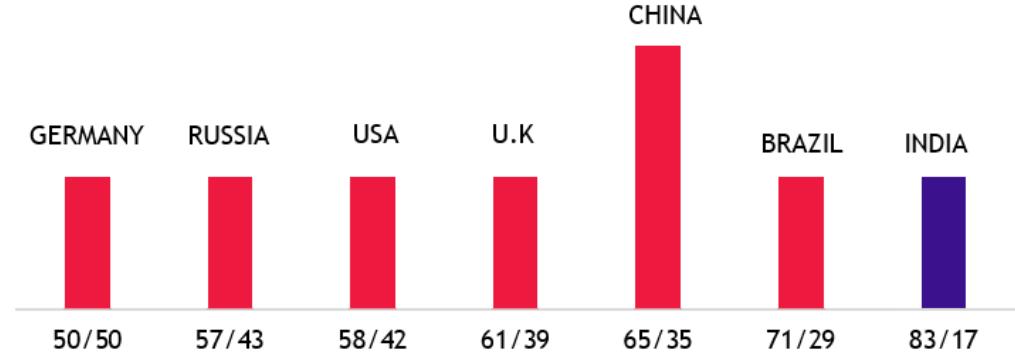
In India FM services companies have only tapped 25% of the addressable market with 75% on this work still being undertaken in-house, a stark contrast to 49% at the global level.

Organized FM Services India - Growth (in INR thousand Cr.)



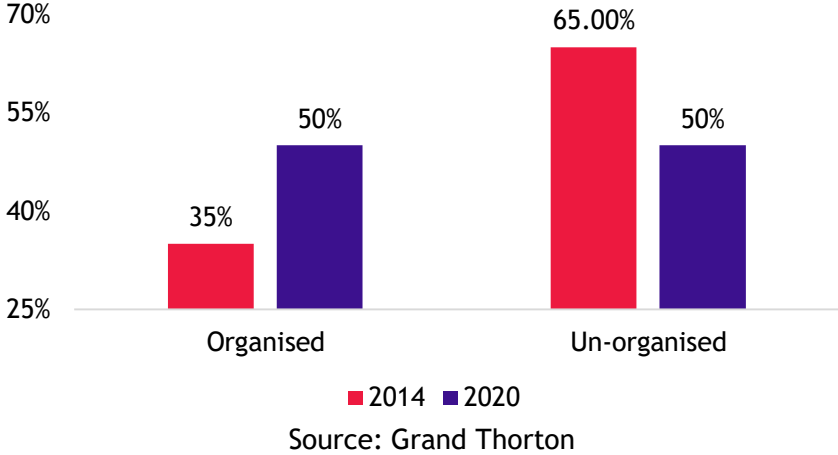


Ratio of personnel in Private Security to Police Force

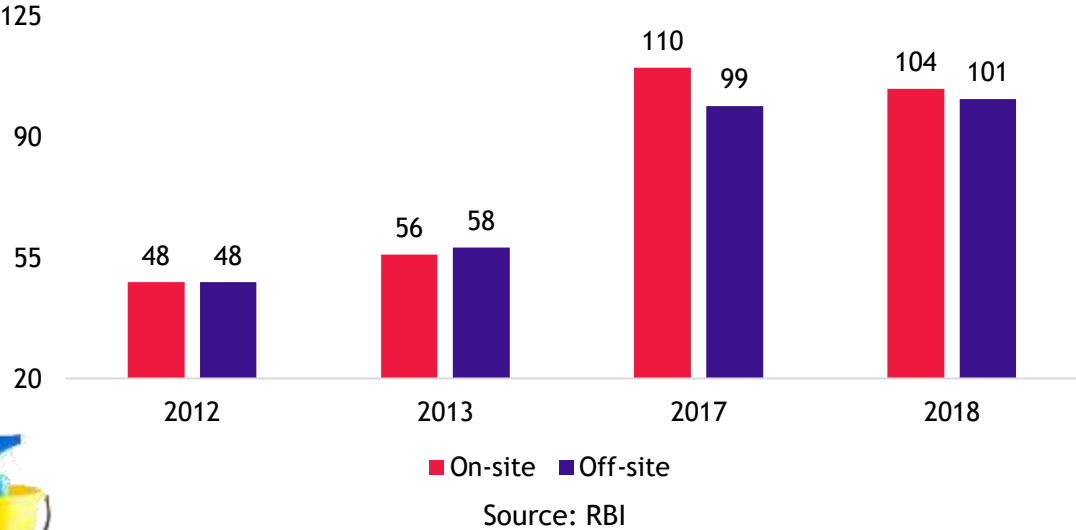


Source: FICCI Reports

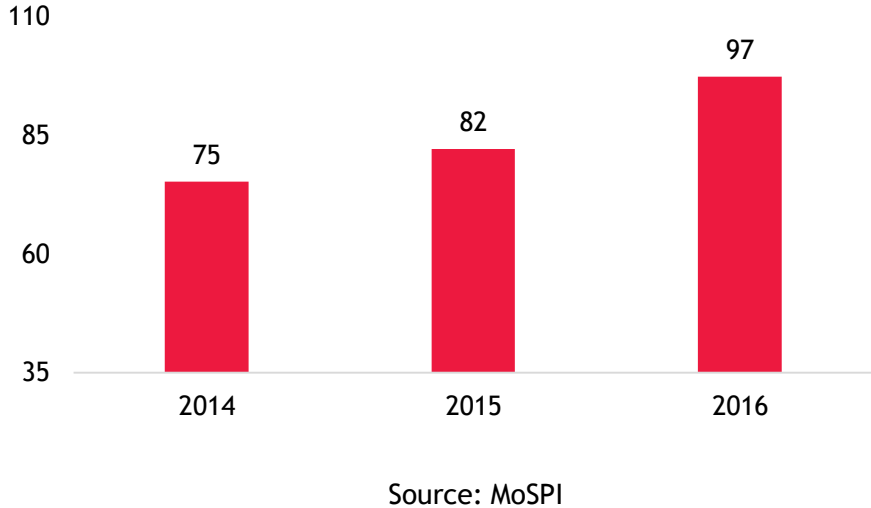
Manned guarding -industry structure



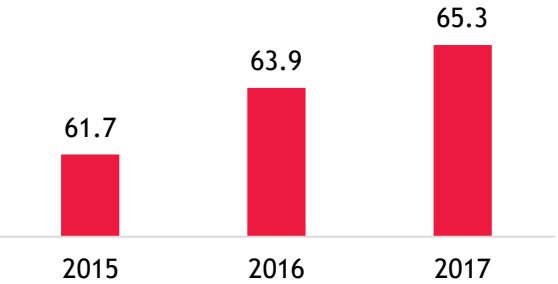
Number of ATMs (in 000's)



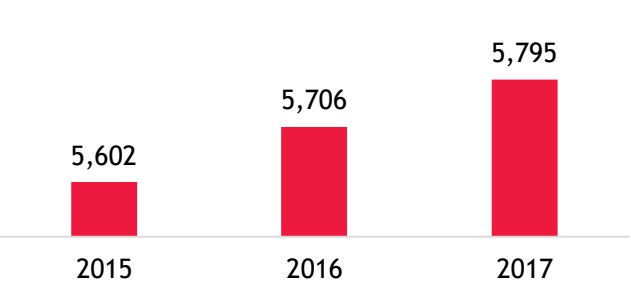
Value of Property Stolen (Rs bn)



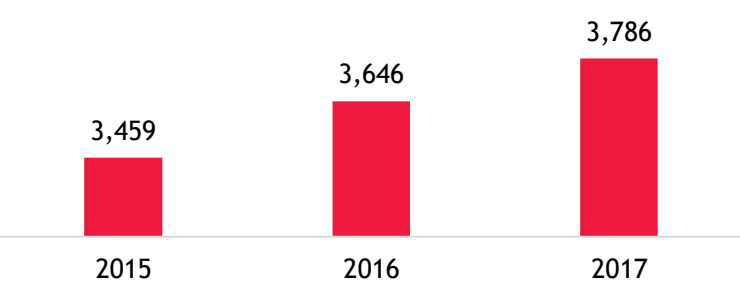
Hotel Occupancy in India (%)



Average Daily rate (ARR)



Revenue Per available room (RevPar)



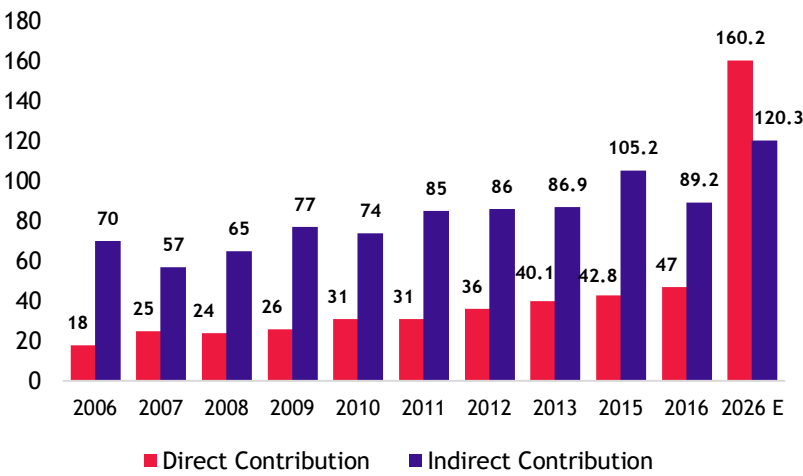
Source: Howrath HTL

Cities	Existing supply 2017/18	Proposed Supply	Increase in Future Supply	Active development of supply	Luxury	Upscale	Upper Mid-Market	Mid-Market	Budget
Agra	2260	428	19%	72%	0.00%	0.00%	7.50%	65.00%	27.50%
Ahmedabad	3393	1343	40%	71%	22.90%	27.40%	37.70%	4.30%	7.70%
Bengaluru	12659	5698	45%	78%	17.30%	28.00%	22.80%	13.30%	18.60%
Chennai	9211	978	11%	89%	11.20%	12.00%	50.00%	26.80%	0.00%
New Delhi	14724	1492	10%	87%	14.30%	26.30%	28.60%	5.60%	25.20%
Gurugram	5920	1727	29%	84%	0.00%	34.90%	9.70%	19.30%	36.10%
Noida	1515	1174	77%	41%	0.00%	0.00%	51.60%	26.60%	21.80%
Goa	6741	3028	45%	57%	0.00%	24.40%	28.10%	30.00%	17.50%
Hyderabad	6772	1149	17%	77%	25.20%	0.00%	41.70%	10.40%	22.70%
Jaipur	5426	1086	20%	82%	4.30%	23.00%	38.60%	30.50%	3.60%
Kolkata	3860	1768	46%	77%	27.70%	8.90%	35.40%	10.30%	17.70%
Mumbai	13726	4039	29%	54%	16.40%	13.40%	39.70%	11.40%	19.10%
Pune	6330	894	14%	89%	28.00%	15.50%	30.10%	11.20%	15.20%
Other cities	35626	24576	69%	73%	4.70%	16.10%	31.30%	28.80%	19.10%
Total	128163	49380	39%	72%	9.10%	17.90%	31.30%	22.80%	18.90%

Source: Hotelivate



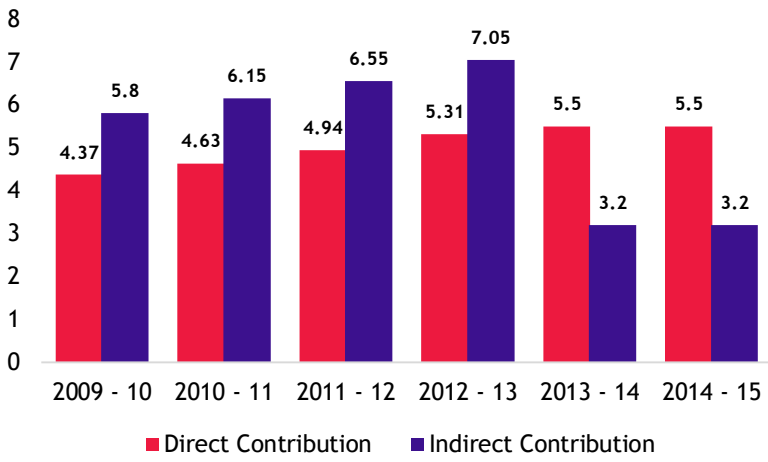
Total contribution to GDP (in \$ billion)



Travel & tourism revenues to Indian GDP is forecasted to increase by 4.97% per annum to \$280.5 billion by 2026

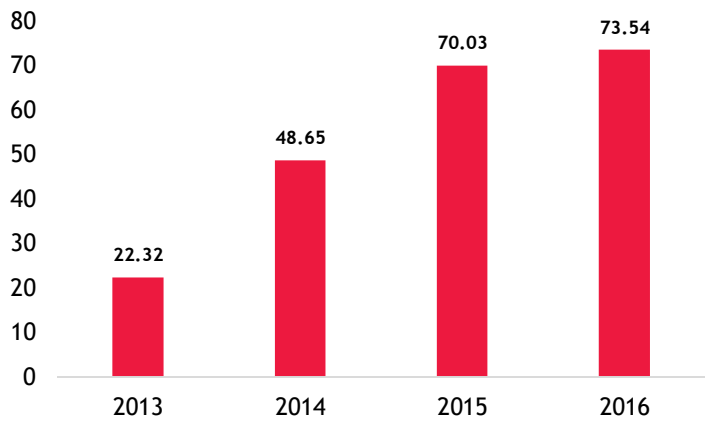
Source : Deloitte Report

Total contribution to employment (in %)



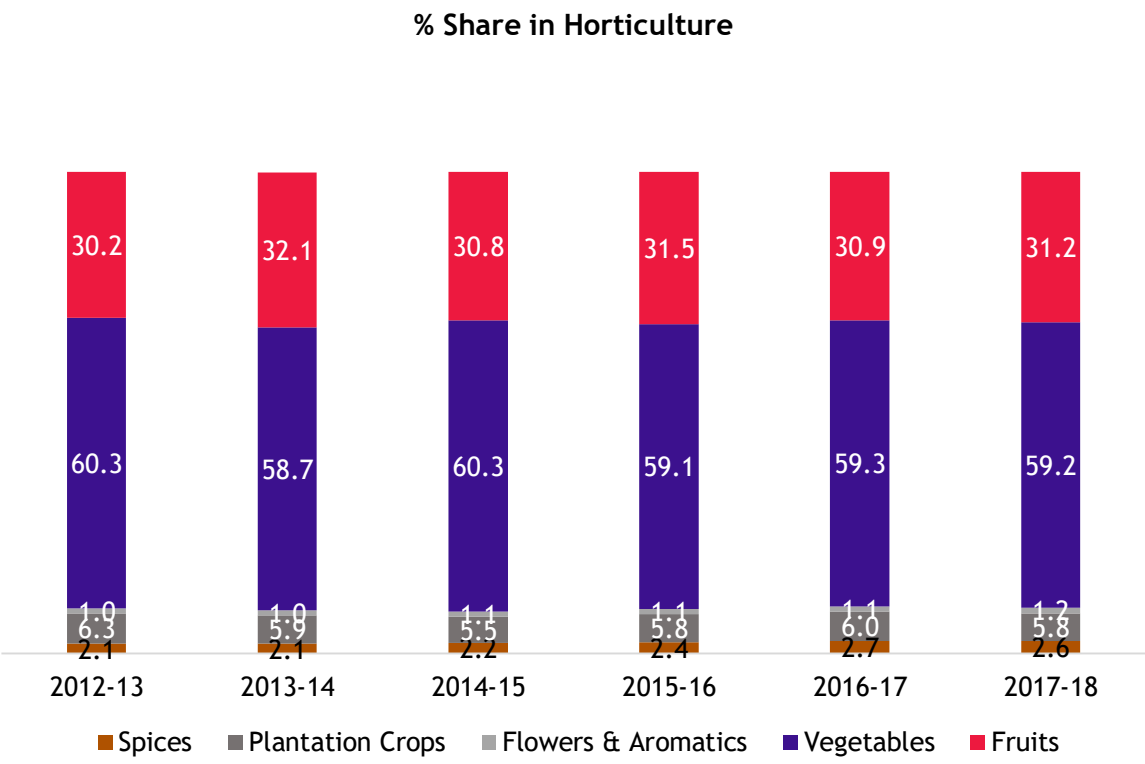
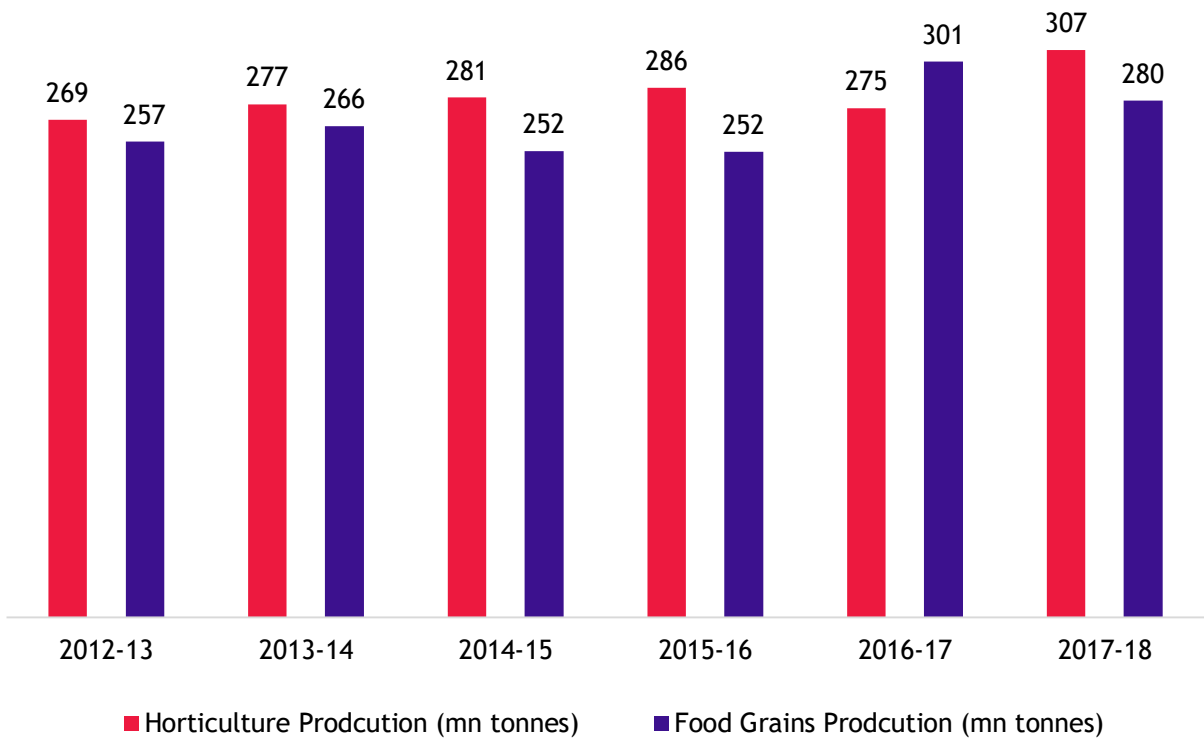
Of total employment in India 8.7% was through travels and tours which is expected to rise to 9% in 2026E

FDI in Tourism (in INR billion)



FDI inflows of Rs 73.5 billion in 2016, and a cumulative inflow of Rs 544.48 billion during Jan 2000 to Dec 2016





Source: Ministry of Agriculture





SECURITY SERVICES

- Increasing gold loan companies and hospital chains
- Expansion of ATMs and ATM transactions
- Growth of organized retail shops
- Threat from anti-social elements
- Better salaries and employee benefit



FACILITY MANAGEMENT SERVICES

- Growth in IT and ITES services industry
- Investments in real estate sector - residential and commercial
- Expansion of Hotels, malls, Hospitals and offices
- Outsourcing of work to Facility management company to focus on business operation



HOSPITALITY SERVICES & CATERING SERVICES

- Foreign tourist arrivals expected to increase at CAGR of 7.1% over 2005–25
- Ministry of Tourism's Plan budget for development of destinations, circuits, mega projects as well as rural tourism infrastructure project etc
- Growth and Development of various online travel webpages become a single market place for all needs
- Destination management organisation attracting foreign visitors
- Extension of E – Visa facility to national of 161 countries





Housekeeping Management



Security Services



Gardening Management

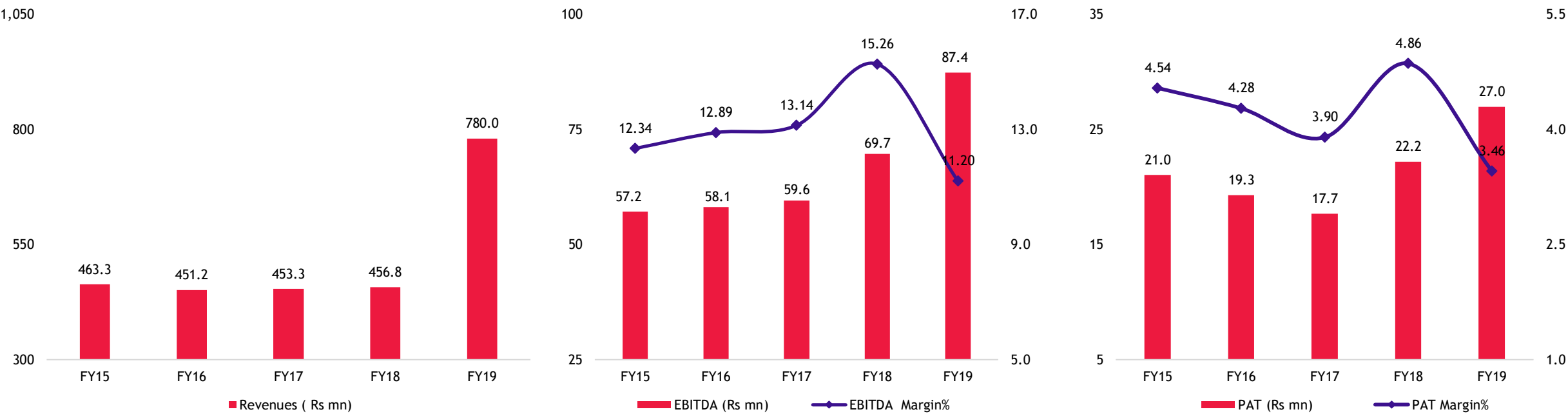


Hospitality & Catering Services



KEY RATIOS & FINANCIAL STATEMENT

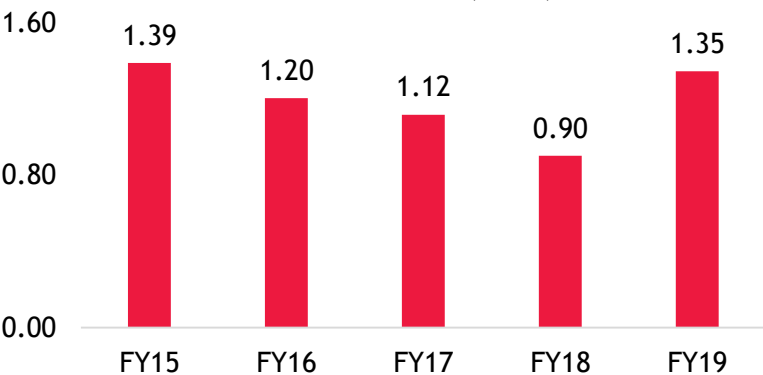
KEY PROFIT & LOSS NUMBERS



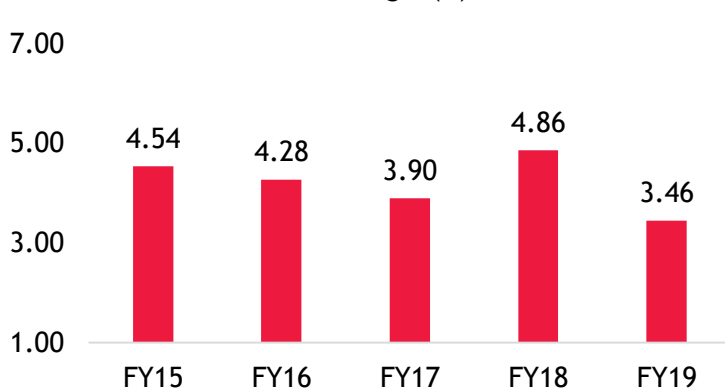
KEY RATIOS



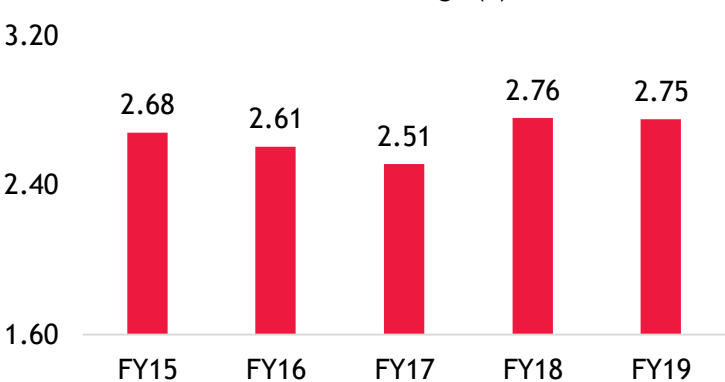
Asset turnover ratio (times)



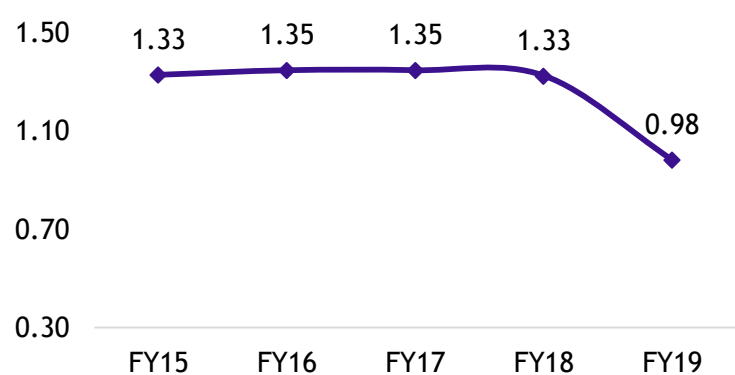
PAT Margin (%)



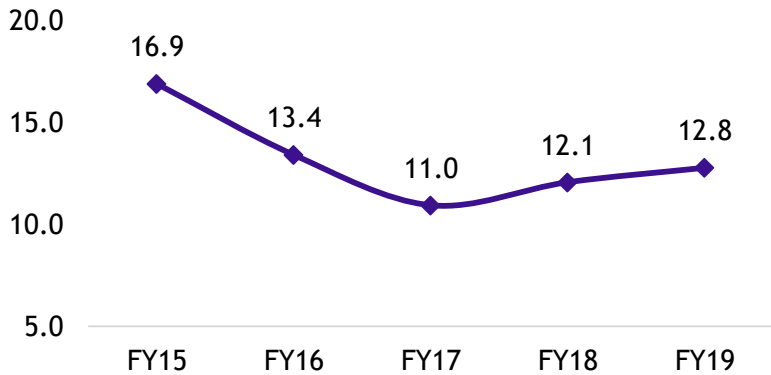
Financial Leverage (x)



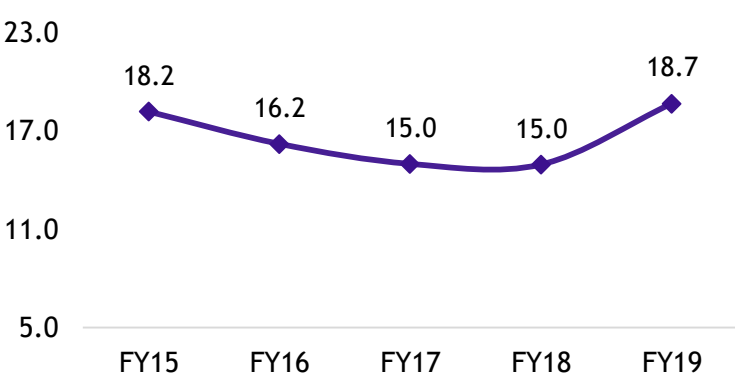
Net Debt to Equity (x)



Return on Equity (%)



Return on Capital Employed (%)



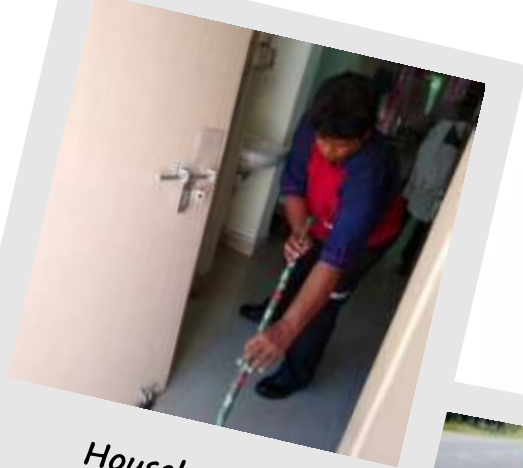
Consolidated Profit & Loss (INR mn)	FY15	FY16	FY17	FY18	FY19
Income from Operations	463.3	451.2	453.3	456.8	780.0
Other Income	1.6	1.6	0.9	0.9	2.0
Total Income	465.0	452.8	454.3	457.8	782.1
Operating Expenses	406.2	393.0	393.8	387.1	692.6
EBITDA	58.8	59.8	60.5	70.7	89.4
Margin %	12.7	13.2	13.3	15.5	11.5
Depreciation	2.3	2.0	2.7	2.4	3.2
EBIT	56.5	57.8	57.8	68.2	86.2
Margin %	12.2	12.8	12.7	14.9	11.1
Financial Charges	25.4	28.6	31.3	37.0	49.7
PBT	31.1	29.2	26.5	31.3	36.5
Margin %	6.7	6.5	5.8	6.8	4.7
Tax	10.1	9.9	8.8	8.7	9.6
PAT (after minority interest)	21.0	19.3	17.7	22.6	27.0
Margin %	4.5	4.3	3.9	5.0	3.5
EPS	42.0	39.0	26.2	3.3	4.0



BALANCE SHEET AND KEY RATIOS

Consolidated Balance Sheet (INR mn)	FY15	FY16	FY17	FY18	FY19
Share capital	6.8	6.8	6.8	67.5	67.5
Reserves and Surplus	117.6	136.9	154.5	116.3	143.2
Non-current liabilities	186.2	212.6	224.0	272.4	250.4
Current liabilities	22.9	18.2	20.0	50.9	118.8
Total Equity and Liabilities	333.4	374.4	405.3	507.1	579.9
Non-current assets	68.2	83.4	75.0	58.5	58.7
Current assets	265.2	291.0	330.3	448.5	521.2
Total Assets	333.4	374.4	405.3	507.1	579.9
Key Ratios	FY15	FY16	FY17	FY18	FY19
RoCE (%)	18.2	16.2	15.0	15.0	18.7
RoE (%)	16.9	13.4	11.0	12.1	12.8
Net debt to equity (x)	1.3	1.3	1.3	1.3	1.0
Interest coverage (x)	2.2	2.0	1.8	1.8	1.7
Inventory days	105.5	77.6	14.6	2.5	5.9
Receivables days	100.1	191.6	216.6	242.7	316.0
Payable days	3.2	2.3	4.6	15.3	21.9

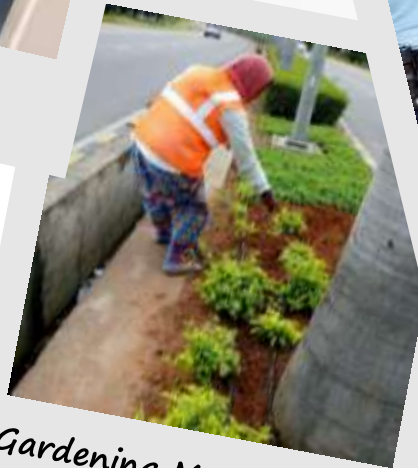




Housekeeping
Management



Security Services



Gardening Management



Hospitality & Catering
Services



Anubhav Shrivastava



01, "Nirma Plaza", Makhwana
Road, Marol Naka, Andheri (East),
Mumbai - 400 059.



cs@khfm.in



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Thank You



Sherwin Fernandes



7th Floor , Hallmark
Business Plaza, Bandra East,
Mumbai - 400051



sherwin.fernandes@karvy.com



www.karvyfintech.com