

BUSINESS CASE

PROJECT DETAILS

| Business Case | | | | | |
|--------------------|---------------------------------------|---------------|----------------|-------------|-------------|
| Project Title | Americana Last Mile Delivery Platform | | | | |
| Project Sponsor | Ramandeep Singh, Deba Adhya | | | | |
| Project Manager: | Girija Tiwari, Magdalena M | | | | |
| Technical Manager: | Vinod Tiwari | | | | |
| Project Owner: | Dheeraj Pant, Mohit M | | | | |
| Document Control | | | | | |
| Version No. | Date | Author | Change History | Reviewed By | Approved By |
| 1.0 | June 02, 2022 | Girija Tiwari | NA | | |

1. EXECUTIVE SUMMARY

Provide a synopsis of the key points of the Business Case. Outline for the reader what the investment/project is about, what benefits it will provide how it aligns with the goals and objectives of the organization, etc. Avoid ambiguous acronyms, terminology, concepts, etc.

Americana Restaurants Division is engaged in the business of operating a chain of restaurants and is one of the most successful organizations in the Middle East region. The group is considered one of the largest restaurant operators in the world.

The below table outlines data for the selected seven big markets Home Delivery data. AMERICANA's estimated fleet of 10,000+ owned driver fleet of employees (above the store) & a total of 2,000 + stores would be having Home Delivery System implemented.

| Functional Overview | | | | | | |
|-------------------------|----------------------------|-------|--------|--------|--------|--------|
| | Assumptions | 2022 | 2023 | 2024 | 2025 | 2026 |
| HD stores | 200 Delivery NSO YOY | 1957 | 2157 | 2357 | 2557 | 2757 |
| Transactions(Mn) | 15% Transaction Growth-YOY | 57.46 | 66.08 | 75.99 | 87.39 | 100.50 |
| Non FS Transactions(Mn) | 15% Transaction Growth-YOY | 46.32 | 53.27 | 61.26 | 70.45 | 81.01 |
| Drivers | | 9,937 | 11,393 | 12,985 | 14,845 | 16,971 |

Aiming to achieve AMERICANA's vision:

"To be the most trusted food operator in the world. We create an awesome experience for our internal & external customers and amazing value for our shareholders".

AMERICANA has initiated **Americana Last-Mile Platform-ALMP** with the following objectives:

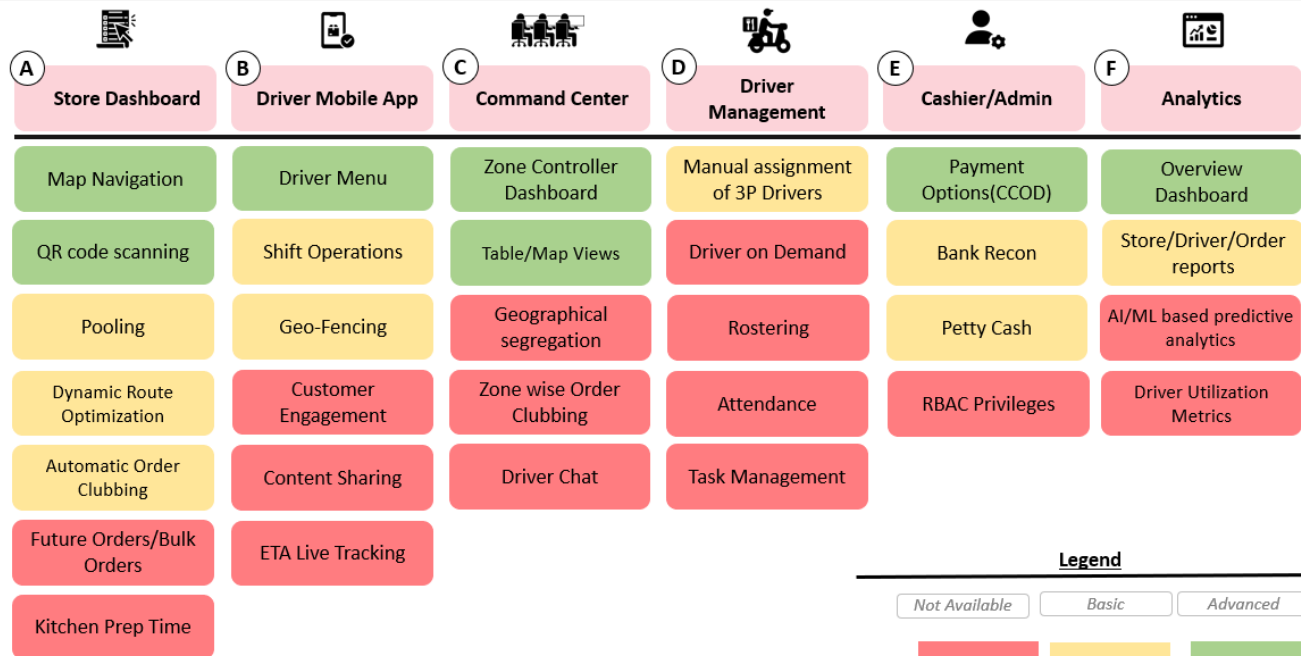
- Leverage the potential for automation to home deliver an agile and future proof organization
- Deploy a scalable and flexible Next Generation cloud-based platform to support the growing need for home delivery business
- Optimize delivery fleet with Best-in-Class technology solution
- Aiming for separate Americana logistic company in food delivery space and serve beyond Americana brands/ restaurants
- Enhance support in vital areas of its operations
- Leverage best practices from the product as much as possible

2. GENERAL INFORMATION – PROBLEM STATEMENT

Outline the background to the project, and the business challenge or opportunity which led to its inception. Which function, brand, or division stands to gain the most from the project, and who is the named sponsor?

AMERICANA currently faces several challenges in the Home Delivery Platform and the current SaaS provided Home Delivery platform does not scale to the growing business needs. Below are some of the key callouts of the current business and Home Delivery Channel challenges.

WHERE ARE WE – CURRENT STATE MATURITY ASSESSMENT



Key Business Challenges:

- Data security and governance
- Inability to meet Demand v Supply - Absence of driver rostering/forecasting capability
- Friction in Order Journey - Lack of visibility for the customer, on a real-time basis, for order/driver status
- Opportunity Cost - Platform driven friction leading to orders being canceled
- Manual Touchpoints – Inability to integrate seamlessly with 3rd party systems
- Vendor is driven - Lack of control on feature release as per Americana requirements/urgency

3. PROJECT DESCRIPTION

Describe what the project will do and/or achieve. The section should also include a description of the proposed solution.

- A description of the business problem (or opportunity) which exists in the business
- A listing of the available options for delivering a solution to resolve the problem
- The benefits and costs associated with each solution option
- A recommended solution option for approval
- Project Approach & Timeline

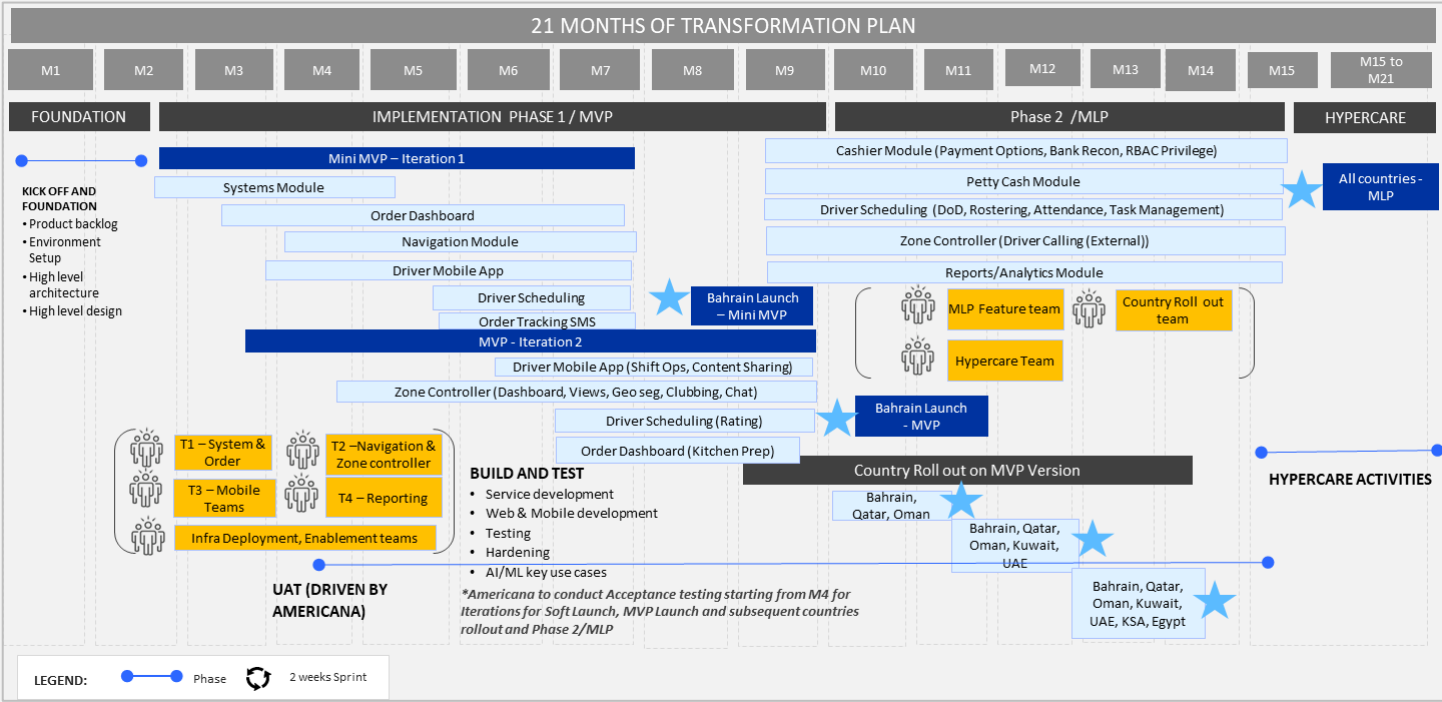
The principal drivers for a **ALMP** for AMERICANA as below:

- **Exclusive IP:** Initially to elevate Americana to the pinnacle of the QSR market and then to serve as the profit center in the future.
- **Think Beyond Pools:** Delivery beyond boundaries!! Capability to automatically assign orders at a zone level.
- **VOC:** Improved customer experience through ugh reduction in friction and customer touchpoints
- **Fleet Optimization:** Algorithm to trigger orders to drivers based on historian-store store wait time real-time –time food preparation time
- **Bespoke Solutions:** Open-source microservices-based architecture built for scale & elasticity- specific for the QSR industry
- **AI/ML Powered Algorithm:** Intelligent Platform bringing together the synergy of Planning, Executive, and Monitoring
- **Dynamic Re-Routing:** Adaptive business rules based on resource capacity, customer locations, time preferences, and historical data
- **More Deliveries / Driver:** Enhance/Optimize business operations by cutting down slack and improving efficiency
- **Workforce Management:** Enhance and Optimize labor performance via balancing the demand v supply
- **Seamless Integration:** Restful APIs to seamlessly integration with ERP, CRM, and other 3rd Party systems

The benefits and costs associated with each solution option:

| | Assumptions | 2022 | 2023 | 2024 | 2025 | 2026 |
|---|--|--------------|--------------|--------------|--------------|-------------|
| HD stores | 200 Delivery NSO YOY | 1957 | 2157 | 2357 | 2557 | 2757 |
| Transactions(Mn) | 15% Transaction Growth-YOY | 57.46 | 66.08 | 75.99 | 87.39 | 100.50 |
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| Drivers | | 9,937 | 11,393 | 12,985 | 14,845 | 16,971 |
| | | | | | | |
| Revised Cost with 1Click @ 5 cents per order (Mn\$) | SaaS and Support charges | 2.32 | 2.66 | 3.06 | 3.52 | 4.05 |
| | | | | | | |
| ALMP Cost (in Mn\$) - B | Built, Support, internal resource, licencing and Infra cost | 2.60 | 3.20 | 1.98 | 2.14 | 2.31 |
| Net Cash Flow by removing 1 Click | | -2.60 | -1.87 | 1.08 | 1.39 | 1.74 |
| | | | | | | |
| Driver Efficiency (DPD) in Mn\$ | FY 22 budgted UTR is 1.66, target to improve by 0.01 YOY, | 0 | 0.04 | 0.18 | 0.32 | 0.51 |
| Reduction in Cancellation in Mn\$ | Reduction of Net Cancellations - Due to Late Delivery (3.5% \$ Value) from Total Net cancellations \$ Value with YoY 15% growth in TRX | 0 | 0.08 | 0.18 | 0.20 | 0.23 |
| Reduction in FUP in Mn\$ | Reduction of FUP Calls due to Late Delivery & Tracking Order Specific Registration Labor * interaction cost with 25% Recovery and YoY 15% TRX Growth | 0 | 0.04 | 0.09 | 0.10 | 0.12 |
| Net operational savings | | 0.00 | 0.16 | 0.45 | 0.63 | 0.86 |
| Net cash flow | | -2.60 | -1.72 | 1.54 | 2.02 | 2.60 |
| Accumulated Cash Flow | | -2.60 | -4.32 | -2.78 | -0.77 | 1.83 |

Project Approach & Timeline:



4. BENEFITS, GOALS, AND MEASUREMENT CRITERIA

Describe the tangible and intangible benefits to the company upon implementation of the solution. One of the obvious benefits described will be that the business problem/opportunity outlined above will be addressed. Complete the following table: the below examples are just for illustration purposes.

| Category | Benefit | Value | | | | | | | | | | | | | | | | | | | | |
|-------------|---|---|-------|-------|------|------|------|------|------|------|------|------|-------|-------|------|------|------|-------|-------|-------|-------|-------|
| Financial | <ul style="list-style-type: none">We save 1.74M Mn by 2026 in comparison to the existing 1 click solutionBy 2026 1click expenses will be 4.05M, and ALMP expense will be 2.31M | Values in Million \$ <table><tr><th>2022</th><th>2023</th><th>2024</th><th>2025</th><th>2026</th></tr><tr><td>2.60</td><td>3.20</td><td>1.98</td><td>2.14</td><td>2.31</td></tr><tr><td>-2.60</td><td>-1.87</td><td>1.08</td><td>1.39</td><td>1.74</td></tr><tr><td>-2.60</td><td>-4.47</td><td>-3.39</td><td>-2.00</td><td>-0.26</td></tr></table> | 2022 | 2023 | 2024 | 2025 | 2026 | 2.60 | 3.20 | 1.98 | 2.14 | 2.31 | -2.60 | -1.87 | 1.08 | 1.39 | 1.74 | -2.60 | -4.47 | -3.39 | -2.00 | -0.26 |
| | | 2022 | 2023 | 2024 | 2025 | 2026 | | | | | | | | | | | | | | | | |
| 2.60 | 3.20 | 1.98 | 2.14 | 2.31 | | | | | | | | | | | | | | | | | | |
| -2.60 | -1.87 | 1.08 | 1.39 | 1.74 | | | | | | | | | | | | | | | | | | |
| -2.60 | -4.47 | -3.39 | -2.00 | -0.26 | | | | | | | | | | | | | | | | | | |
| Operational | <ul style="list-style-type: none">Improved operational efficiencyDriver Efficiency (DPD), FY 22 budgeted UTR is 1.66, target to improve by 0.01 YOY,Reduction in Net cancellationReduction in FUP call due to late delivery and tracking | Values in Million \$ <table><tr><th>2023</th><th>2024</th><th>2025</th><th>2026</th></tr><tr><td>0.04</td><td>0.18</td><td>0.32</td><td>0.51</td></tr><tr><td>0.08</td><td>0.18</td><td>0.20</td><td>0.23</td></tr><tr><td>0.04</td><td>0.09</td><td>0.10</td><td>0.12</td></tr></table> | 2023 | 2024 | 2025 | 2026 | 0.04 | 0.18 | 0.32 | 0.51 | 0.08 | 0.18 | 0.20 | 0.23 | 0.04 | 0.09 | 0.10 | 0.12 | | | | |
| | | 2023 | 2024 | 2025 | 2026 | | | | | | | | | | | | | | | | | |
| 0.04 | 0.18 | 0.32 | 0.51 | | | | | | | | | | | | | | | | | | | |
| 0.08 | 0.18 | 0.20 | 0.23 | | | | | | | | | | | | | | | | | | | |
| 0.04 | 0.09 | 0.10 | 0.12 | | | | | | | | | | | | | | | | | | | |

5. DELIVERY COST AND FUNDING

Please provide high-level estimates of duration and call out any specific delivery considerations such as the use of 3rd parties etc.

Describe the tangible and intangible costs to the company upon implementation of the solution. The costs of the actual project should be included (e.g., equipment procured) as well as any negative impact to the business resulting from the delivery of the project (e.g., operational downtime). Complete the following table. Below are a few examples to consider.

| Category | Cost | Value | Budgeted |
|----------------|------------------------------------|-------------|----------|
| People | • Salaries of project staff | \$ 276000 | YES |
| | • Contractors / outsourced parties | \$ 22000000 | YES |
| | • Training | \$ 20000 | NO |
| Physical | • Infrastructure | \$ 124000 | YES |
| | • Equipment and materials | \$ 0 | NO |
| | • Tools (computers, phones...) | \$ 10000 | YES |
| Marketing | • Advertising/branding | \$ 0 | NO |
| | • Promotional materials | \$ 0 | NO |
| | • PR and communications | \$ 0 | NO |
| Organizational | • Operational down-time | \$ 0 | NO |
| | • Short-term loss in productivity | \$ 0 | NO |
| | • Cultural change | Describe | NO |

In addition, you may need to identify whether the cost item is a capital (CAPEX) or operational (OPEX) expenditure item. A separate spreadsheet showing an analysis of the cost equations may need to be attached as an appendix to this document if further information is likely to be required for approval.

Identify Funding Sources and Amounts:

- ✓ Yearly Capex and Opex for 5 years
- ✓ Cash Flow Impact & Return on Investment (ROI)
- ✓ Details of Assumptions and evidence if any

| Funding Source | Amount | Notes |
|----------------|---------|-------|
| CAPEX | \$ 2.8M | |
| OPEX | \$ 13K | |

6. RISKS

Summaries the most apparent risks associated with the adoption of this solution. Risks are defined as “any event which may adversely affect the ability of the solution to produce the required deliverables”. Risks may be Strategic, Environmental, Financial, Operational, Technical, Industrial, Competitive or Customer related. Complete the following table:

| RISK DESCRIPTION | IMPACT DESCRIPTION | IMPACT LEVEL | PROBABILITY LEVEL | PRIORITY LEVEL |
|--|---------------------------------------|--------------|-------------------|----------------|
| Resources are not onboarded as per the resource's matrix at the agreed milestones | Impact on timeline, scope and quality | 5 | 5 | 25 |
| Failure to Meet High Application Performance | Impact on timeline and quality | 4 | 4 | 16 |
| Complexity of Application Requirement. Risk of gaps in understanding the actual desired features by the partner's team | Impact on timeline and quality | 4 | 4 | 16 |
| Scope change by business stakeholders during acceptance phase | Impact on timeline | 3 | 3 | 9 |
| Covid spike can impact resources performance | Impact on timeline, scope and quality | 3 | 3 | 9 |
| Partial scope delivery | Impact on timeline and quality | 2 | 4 | 8 |

7. Assumptions

List the major assumptions associated with the adoption of this option

| Assumption | Actions to validate Assumptions DESCRIPTION |
|--|---|
| Increase in HD stores 200 delivery NSO - YoY | Based on the previous growth rate for HD stores |
| 15% transaction growth YoY | Based on the previous order transaction data |
| 12% driver growth YoY | Based on the existing driver growth rate |
| | |
| | |

Appendix A: Business Case - Approval

The undersigned acknowledge they have reviewed the <Project Name> Business Case and agree with the approach it presents. Changes to this Business Case will be coordinated with and approved by the undersigned or their designated representatives.

[List the individuals whose signatures are desired. Examples of such individuals are Business Steward, Implementation Managers or Project Sponsor. Add additional lines for signature as necessary. Although signatures are desired, they are not always required to move forward with the practices outlined within this document.]

Signature:

Date:

Print Name:

Title:

Role:

Signature:

Date:

Print Name:

Title:

Role:

Signature:

Date:

Print Name:

Title:

Role: