



Restaurant Brands New Zealand Limited

Independent Adviser's Report in relation to the takeover offer from Finaccess Restauración, S.L

October 2025

STATEMENT OF INDEPENDENCE

Calibre Partners confirms that it:

- has no conflict of interest that could affect its ability to provide an unbiased report; and
- has no direct or indirect pecuniary or other interest in the proposed transaction considered in this report, including any success or contingency fee or remuneration, other than to receive the cash fee for providing this report.

Calibre Partners has satisfied the Takeovers Panel, on the basis of the material provided to the Panel, that it is independent under the Panel's Guidance Note on Independent Advisers for the purposes of preparing this report.



Table of contents

1. Executive Summary.....	3
1.1 Introduction	3
1.2 The Offer	3
1.3 Potential outcomes.....	4
1.4 Key issues to be considered by shareholders	5
2. Background.....	6
2.1 The Offer	6
2.2 Profile of Finaccess.....	6
2.3 Purpose of this report.....	6
2.4 Other	7
3. Industry overview	8
3.1 Foodservice sector	8
3.2 Categories and key brands	8
3.3 Industry factors.....	9
4. Company overview.....	12
4.1 Overview and history	12
4.2 Operational overview.....	13
4.3 Share ownership	16
4.4 Share price performance	17
5. Financial overview.....	19
5.1 Consolidated financial performance.....	19
5.2 Financial performance by region	21
5.3 Financial position	26
6. Valuation	28
6.1 Approach to valuation.....	28
6.2 Valuation summary.....	30
6.3 Discounted cash flow	31
6.4 Market approach	37
7. Merits of the Offer	43
7.1 Restaurant Brands' performance.....	43
7.2 Standalone valuation of Restaurant Brands.....	43
7.3 Potential outcomes of the Offer.....	44
7.4 Likelihood of an increase to the proposed consideration	44
7.5 Prospect of alternative takeover offers during Offer period.....	44
7.6 Follow-on offers	45
7.7 Prospect of an investor acquiring a strategic shareholding of less than 20%	45
7.8 Tax.....	45



Appendix 1: Sources of information	46
Appendix 2: Qualifications and declarations.....	47
Appendix 3: Valuation methods.....	48
Appendix 4: Discount rates	49
Appendix 5: Glossary of key terms.....	52



1. Executive Summary

1.1 Introduction

Restaurant Brands New Zealand Limited (**Restaurant Brands** or the **Company**) is a New Zealand incorporated company that is listed on the New Zealand Stock Exchange (NZX), with a foreign exempt listing on the Australian Securities Exchange (ASX).

Restaurant Brands owns and operates Quick Service Restaurants (QSR) under the KFC, Taco Bell, Pizza Hut and Carl's Jr brands. Restaurant Brands has around 380 company owned and 143 franchised stores across New Zealand, Australia, California, and Hawaii (including Guam and Saipan). Restaurant Brands employs over 12,500 staff and caters to over 60 million customers annually.

On 30 September 2025, Restaurant Brands announced that it had received a notice from its majority shareholder, Finaccess Restauración, S.L. (**Finaccess** or the **Offeror**), of Finaccess' intention to make a takeover offer (**Offer**) for all of the fully paid ordinary shares in Restaurant Brands (**RBD Shares**) that it does not own. Finaccess subsequently made a formal Offer on 14 October 2025.

1.2 The Offer

Consideration

The Offer is a full takeover offer at \$5.05 per share.¹

Finaccess has made a binding statement that it will not increase the Offer price, nor will it make a follow-on takeover offer within 24 months.

Share commitments

As at 23 October 2025, shareholders with a combined interest of 11.94% of the RBD Shares have accepted or agreed to accept the Offer. Together with the RBD Shares it already holds, this will result in Finaccess increasing its shareholding to at least 86.96% of the RBD Shares.

Unconditional

The Offer is unconditional.²

The Offer will proceed unless it is withdrawn in accordance with the Takeovers Code, which would require the consent of the Takeovers Panel.³

Accepting or rejecting the Offer

The Offer remains open for acceptance until 11.59pm NZDT on 25 November 2025, unless the Offer is extended in accordance with the Takeovers Code.

The Offer is open for acceptance by any person who holds RBD Shares, whether the shares were acquired before, on or after the date of the Offer.

¹ The Offer price may be adjusted in accordance with Section 4 of the Terms and Conditions of the Offer.

² Paragraph 3.10 of the Terms and Conditions of the Offer.

³ Finaccess has received the necessary consents required under the Overseas Investment Act 2005 and Overseas Investment Regulations 2005.



1.3 Potential outcomes

The possible outcomes of the Offer are:

- **Finaccess receives sufficient acceptances to control at least 90% of the RBD Shares**

If Finaccess receives sufficient acceptances to hold or control at least 90% of the RBD Shares, then Finaccess will have the ability to compulsorily acquire the remaining RBD Shares it does not already control, and has indicated it intends to do so.

All shareholders who accept the Offer would receive \$5.05 per share they own, in cash.

In the event of a compulsory acquisition, the remaining shareholders would receive the same consideration as those who accepted the Offer.

- **Finaccess does not receive acceptances to control 90% of the RBD Shares**

Finaccess will increase its interest in Restaurant Brands as a result of the Offer. However, it might not reach sufficient acceptances to hold or control 90% of the RBD Shares.

As at 23 October 2025, around when this report was finalised, Finaccess already had acceptances that will mean it will hold at least 86.96% of the RBD Shares once the Offer completes.

All shareholders who accept the Offer would receive \$5.05 per RBD Share they own.

Shareholders who reject the Offer would retain their RBD Shares.

Restaurant Brands would remain a listed company.

All else being equal, we consider the listed price for RBD Shares would likely recede from current levels in this scenario – at least in the short term.



1.4 Key issues to be considered by shareholders

For shareholders deciding whether to accept or reject the Offer, key issues to be considered include:

- The proposed consideration of \$5.05 per RBD Share is below our assessed valuation range of \$5.24 to \$6.20 per share. Our valuation is for 100% of Restaurant Brands.
- The proposed consideration represents a premium of 70.6% to the closing share price of \$2.96 on 29 September 2025, which was the last trading day before the notice of the Offer.
- Finaccess has stated that it will not increase its offer or make a follow-on offer within 24 months.
- We consider there is a high likelihood the RBD Share price would recede from current levels, once the Offer closes, if Finaccess does not reach 90% control of RBD Shares.
- Should Finaccess not reach 90% control of RBD Shares, shareholders who continue to hold RBD Shares would remain shareholders in a company largely controlled by Finaccess, and which has reduced liquidity in share trading.
- In those circumstances, we consider it likely there would be a further offer for Restaurant Brands sometime in the future, either from Finaccess, an associate, or a party with the agreement of Finaccess. However, the timing of any such offer is uncertain, and the value of Restaurant Brands at the time would depend on its performance over the intervening period and the outlook.
- After 12 months from the closing of the Offer, Finaccess would also be entitled to acquire an additional 5% shareholding in Restaurant Brands, per annum, under the 'creep' provisions of the Takeovers Code. If this happens, Finaccess could cross the 90% threshold for compulsory acquisition at which point:
 - the remaining shareholders would be entitled to have their shares acquired at a price certified as a "fair and reasonable value"; and
 - Finaccess would also have the right to compulsorily acquire the remaining RBD Shares held by the remaining shareholders at a price certified as a "fair and reasonable value".
- Shareholders should consider their likely investment horizon when considering the Offer. Even though the proposed consideration is below our assessed valuation range, it may represent the highest level of consideration available to shareholders in the short term.
- Our valuation range was determined on 21 October 2025.

In our opinion, the Offer is reasonable for shareholders who wish to exit their investment in RBD Shares in the short term. However, we consider the proposed consideration is less attractive for shareholders with longer-term investment horizons.

The above should be read in the context of the whole of this Report, including our analysis of the merits of the Scheme, as set out in Section 7.

Accepting or rejecting the Offer is a matter for individual shareholders based on their own views as to value and future market conditions, as well as their risk profile, liquidity preference, portfolio strategy, tax position and other factors. For example, taxation consequences can vary widely across shareholders, and we note the after-tax value of the proposed consideration may vary between shareholders given their respective tax positions. Shareholders will need to consider these consequences and, if appropriate, consult their own professional advisers.



2. Background

2.1 The Offer

On 30 September 2025, Finaccess issued a formal notice of its intention to make a takeover offer (**Offer**) under the Takeovers Code.

Finaccess made an Offer to Restaurant Brands shareholders on 14 October 2025.

The Offer is a full takeover offer at \$5.05 per share, which represents a premium of around 70% to the closing price on NZX of \$2.96 per share on 29 September 2025, being the day before the Offer was announced.

Pursuant to the Takeovers Code, if Finaccess receives acceptances under the Offer that result in it increasing its shareholding in Restaurant Brands to 90% or more, Finaccess has the right to compulsorily acquire the remaining shares from the minority shareholders and has indicated it intends to do so.

As at 23 October 2025, shareholders with a combined interest of 11.94% of the RBD Shares have accepted the Offer. Together with the RBD Shares it already holds, Finaccess has secured a 86.96% of the RBD Shares, this includes shares it acquired from Accident Compensation Corporation (ACC) pursuant to the Lock-up Deed between Finaccess and ACC. As such, Finaccess requires acceptances for a further 3.04% of the RBD Shares for the 90% threshold to be met.

Regardless of which other shareholders accept the Offer, Finaccess will increase its shareholding in Restaurant Brands as a result of the Offer.

2.2 Profile of Finaccess

Carlos Fernández-González (**Mr Fernández**) founded Grupo Finaccess S.A.P.I. de C.V. (**Grupo Finaccess**), a company incorporated in Mexico. Mr Fernández has a beneficial interest in 64.31% of Grupo Finaccess, via an intermediary company, Grupo Far-Luca S.A de C.V (**Grupo Far-Luca**).

Grupo Far-Luca and Grupo Finaccess hold and control the Offeror, via intermediary companies.⁴

We refer to Grupo Far-Luca and all its subsidiaries, but excluding Restaurant Brands and its subsidiaries, as the '**Finaccess Group**' or the '**Offeror Group**'.

In addition to its majority interest in Restaurant Brands, the Finaccess Group has interest in other foodservice sector entities, which includes Quick Service Restaurant (**QSR**) and fast-casual dining businesses. Grupo Finaccess holds a 67% interest in AmRest Holdings SE (**AmRest**), which is a casual dining chain operating in Europe and China, listed on the Warsaw Stock Exchange and the Madrid Stock Exchange, and with a market capitalisation of approximately US\$900 million.

Entities within the Finaccess Group also have a presence in the real estate market in Europe and Asia, with an interest of approximately 13% in Inmobiliaria Colonial (**Colonial**). Colonial is a Spanish real estate business listed on the Spanish Stock Exchange with an approximate market capitalisation of US\$4 billion.

2.3 Purpose of this report

Restaurant Brands is subject to the Takeovers Code.

Rule 21 of the Takeovers Code requires an independent advisor to report on the 'merits' of a takeover offer. The term 'merits' has no definition in either the Takeovers Code or in any statute dealing with securities or commercial law in New Zealand. While the Takeovers Code does not prescribe a meaning of the term 'merits', the Takeovers Panel has interpreted the term to include both positives and negatives in respect of a transaction.

⁴ Further details on the ownership and control of the Offeror are set out at Appendix 1 of the Offer.



The Independent Directors of Restaurant Brands have appointed Calibre Partners to prepare an Independent Adviser's Report (**this Report**) to inform Restaurant Brands' shareholders on the merits of the Offer. Our appointment has been approved by the Takeovers Panel.

This Report should not be used for any other purpose other than as an expression of Calibre Partners' opinion as to the merits of the Offer. Shareholders should read the Target Company Statement issued by Restaurant Brands in conjunction with this Report.

Accepting or rejecting the Offer is a matter for individual shareholders based on their views as to value and future market conditions, as well as their risk profile, liquidity preference, portfolio strategy, tax position and other factors. In particular, taxation consequences can vary widely between shareholders. Shareholders will need to consider these consequences and, if appropriate, consult their own professional advisers.

2.4 Other

The sources of information we have had access to and relied upon are set out in Appendix 1.

This Report should be read in conjunction with the statements and declarations set out in Appendix 2 regarding our independence, qualifications, general disclaimer and indemnity, as well as restrictions on the use of this Report.

Unless specified otherwise:

- References to '\$' and 'NZD' are to New Zealand Dollars.
- References to 'USD' are to United States Dollars.
- References to 'AUD' are to Australian Dollars.
- References to 'local currency' are to the currency in the relevant jurisdiction.

When referring to Restaurant Brands, references to financial years or 'FY' mean Restaurant Brands' financial years ended 31 December.

Tables may not add due to rounding.



3. Industry overview

3.1 Foodservice sector

QSR is a channel within the broader foodservice sector, which also includes cafes, fast-casual dining, full-service restaurants, and catering services. Drinking establishments are sometimes also categorised in the foodservice sector.

Businesses in the foodservice sector generally have a relatively high proportion of their input costs associated with labour and ingredients. Depending on the nature of the business, premises costs are often also substantial.

3.2 Categories and key brands

QSR cuisine categories are shown in Table 1.

Table 1: QSR cuisine categories, relative market share

Category		New Zealand	Australia	Global
	Burgers	40.6%	43.8%	42.3%
	Pizzas	27.7%	14.5%	8.9%
	Sandwiches, salad and juices	11.9%	8.1%	9.6%
	Chicken	11.0%	20.4%	15.8%
	Confectionary and desserts	1.9%	7.7%	15%
	Other	6.9%	5.5%	8.4%

Source: IBISWorld, Fast Food and Takeaway Food Services in New Zealand, February 2025. Fast Food and Takeaway Food Services in Australia, March 2025

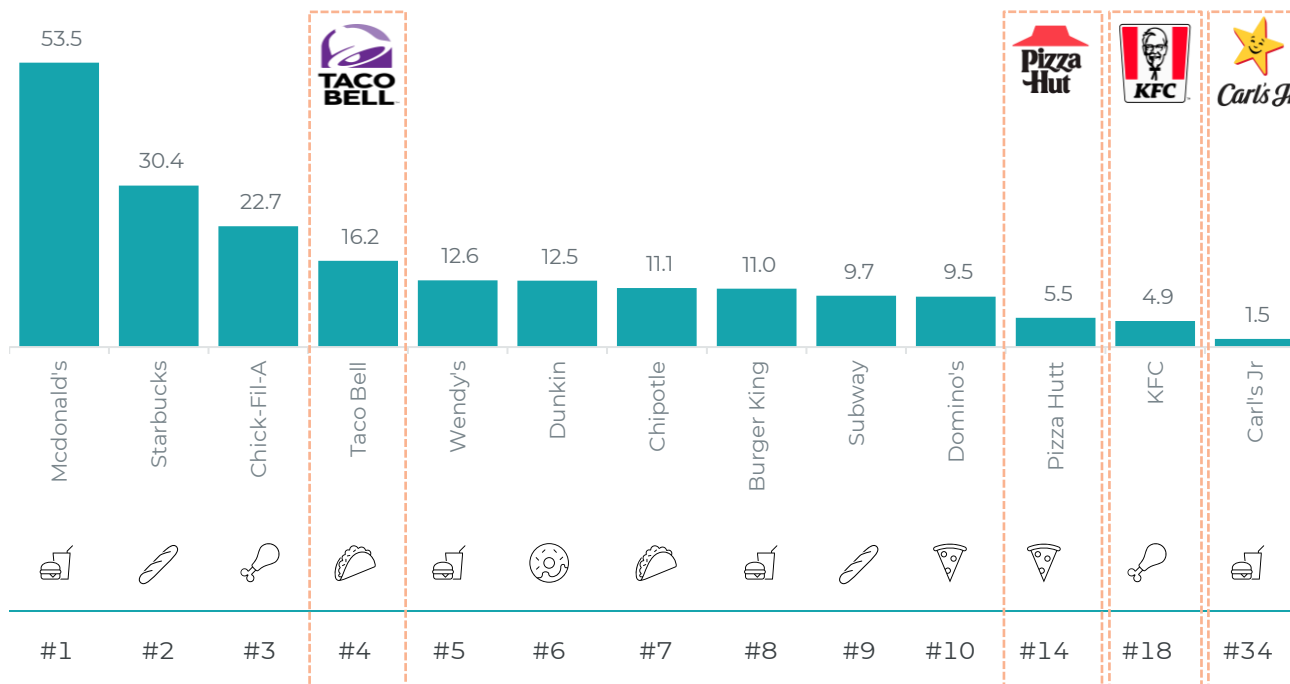
Meat-centric offerings tend to be dominant, with the 'Burger' category generally accounting for more than 40% of QSR sales. Globally 'Chicken' has emerged as a high-growth category, especially in emerging markets, due to its affordability and its ability to offer individual and family sized options and value meals.⁵

There are a large number of brands (also referred to as concepts) available in the QSR sector, ranging from large chains with global reach to smaller in-country independent brands, often with a niche offering. The larger concepts and the concepts operated by Restaurant Brands are shown in Figure 1.

⁵ Mordor Intelligence. Global Quick Service Restaurant market



Figure 1: Key global brands (ranked by system-wide sales, USD billions)



Source: QSR magazine, August 2025.

Traditionally large franchised and chain-operated brands have been the dominant operators. However, independent participants are taking an increasingly prominent role in catering to regional preferences and cuisine.

The strength of the chain and franchised outlets lies in their global brand recognition, extensive store networks, economies of scale and investment in technology to improve customer experience and efficiencies.

3.3 Industry factors

Competition

The QSR industry tends to be highly competitive, with many categories and brands competing for the same consumers. This includes competition from:

- other established QSR entities,
- new entrants to a particular market that are already established elsewhere,
- new QSR concepts,
- other food service businesses, such as fast-casual dining and food delivery services, and
- competition from the same brand when there are multiple franchisees operating a single concept.

In particular, rapid advances in technology and the prevalence of smartphones has improved consumers' access to a choice of options and has made food delivery services a preferred choice for many consumers. While QSR restaurants can benefit from selling food through a food delivery service, this comes with an associated cost.

While some established, well-known concepts like McDonald's have tended to maintain their presence over the longer term, concepts do fall in and out of consumer preference, and it is reasonably common for new concepts to be established and withdrawn from regional markets.



As an example, Popeyes has recently entered the New Zealand market in 2024. Popeyes is a fried chicken business that is larger than KFC in the United States by sales.⁶ While KFC has historically had a more substantial presence outside the United States, an international expansion by Popeyes could put pressure on KFC businesses. Equally, Taco Bell has a dominant presence in the Mexican-inspired category in Hawaii, similar to KFC in New Zealand, but there are other Mexican-inspired concepts that could over time enter the market.

Franchised businesses

QSR businesses are often franchised businesses.

Franchise agreements offer the benefits of operating under a recognised brand, with an established business model, and usually with associated support systems in place. However, there is also usually a natural lack of autonomy associated with operating under a franchise agreements, with menu strategy, pricing, supply chain, advertising often determined by the brand owner.

Macroeconomic conditions

QSR operations are sensitive to macroeconomic conditions and consumer discretionary spending, although this depends on the exact brand and wider macroeconomic factors. In particular, QSR restaurants tend to be relatively cheaper than other foodservice businesses, which can reduce the impact of changes in consumer discretionary spending relative to more expensive options.

At the current time the markets in which Restaurant Brands operates are tending to be adversely affected by negative macroeconomic conditions, affecting consumer demand. This includes inflationary pressures, and relatively high interest rates, putting pressure on disposable income.

Labour-cost inflation in high wage markets is compressing margins

Rising input costs, including food inflation and increasing minimum wages have put pressure on QSR margins. The recent increases in the key markets in which Restaurant Brands operates are illustrated in Figure 2 and Figure 3.

Figure 2: Food inflation⁷

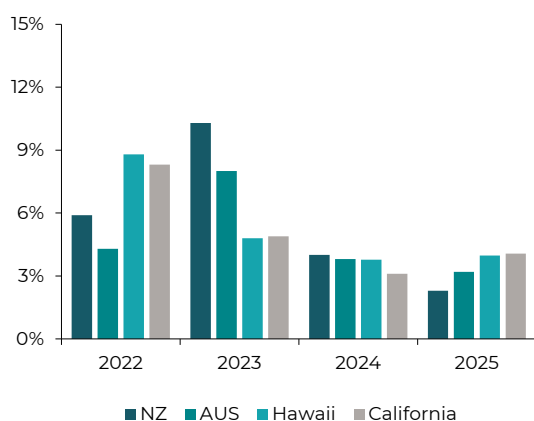
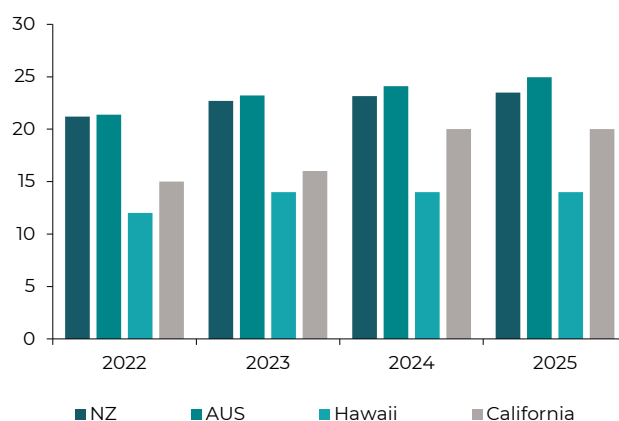


Figure 3: Minimum wage (local currency)



Source: Trading Economics, Bureau of Labor Statistics, Employment New Zealand and State of Hawaii Wage Standards Division

Food inflation has tended to moderate, albeit at a reasonably high level. However, wage costs remain a key factor impacting profit margins.

⁶ QSR Magazine, May 2025.

⁷ California's data for food inflation is based on Los Angeles



In 2024, Restaurant Brands experienced a ~30% increase in labour costs in California following an increase to the minimum wage for fast-food workers to US\$20 per hour. In New Zealand and Australia, a tight labour market has limited trading hours and pushed up labour input costs.

Urbanisation and evolving lifestyles

Rapid urbanisation (globally) and increasingly busy lives are driving the growth in QSR globally. This is considered a meaningful factor supporting QSR sector growth. The demand for convenient and quick dining options by busy, dual income households has (and is expected to continue to) create opportunities for network expansion.

Health-conscious consumers

QSR's have faced the challenge of the prevalence of obesity in many of their largest markets. In the jurisdictions in which Restaurant Brands operates there are regulatory requirements to provide transparent nutritional information. Combined with changing consumer preferences and health consciousness this has been a catalyst for recent 'menu innovation' with QSRs responding with menu transparency and more health-conscious offerings.

Digital transformation and technological advances

Mobile apps, online ordering, AI-recommendation engines and self-service kiosks are enhancing speed, increasing reach and personalising the consumer experience. This removes transaction friction for consumers, making ordering food simpler and faster.

Yum! Brands, Inc. (Yum!) (the owner of KFC, Taco Bell, Pizza Hut and Habit Burger & Grill) reported that 50% of 2024 sales globally came through digital channels as it continues to scale its digital and technology platforms globally.

QSR businesses can also use real time, localised and personalised data to set prices and customise promotions, with localised marketing to keep customers engaged and curate the customer experience.

Menu innovation and customer loyalty

QSRs commonly adapt menu offerings to changing consumer preferences and tastes. This includes brands offering more health-conscious menus as well as offering limited time offers, regional flavours and value meal deals, these have become key strategies for attracting and retaining consumers.

Customer loyalty programs are also proving successful. For example, QSR Magazine (August 2025) reported that Taco Bell's loyalty program resulted in the average number of visits per year increasing from 5.8 times to 10.2 times (~76% increase).

Drive-thru and delivery expansion

Many businesses now operate multi-channel strategies (dine-in, takeaway, drive-thru and home delivery) to maximise market penetration and revenue growth. Drive-thru lanes and partnerships with third-party delivery platforms are increasing accessibility. Delivery channels are the fastest growing segment, as these are compatible with current day lifestyle demands of consumers. Delivery aggregators do however charge merchants fees. Many industry participants have, and continue to, invest in upgrades to their drive-thru operations.

The dine-in model does however remain relevant due to the social appeal, QSR brands globally are tending to invest in modernising their dine-in spaces.



4. Company overview

4.1 Overview and history

Restaurant Brands was incorporated in 1997 to acquire the New Zealand restaurant and takeaway operations of KFC and Pizza Hut from the previous owners PepsiCo Inc (now Yum!). The initial purchase included 122 stores.

Figure 4: Timeline of key events

1997	Restaurant Brands incorporated and acquires certain KFC and Pizza Hut operations in New Zealand.
1998	Restaurant Brands obtains franchise rights for the Starbucks brand in New Zealand.
2000	Restaurant Brands acquires Eagle Boys pizza stores, later rebranding them to Pizza Hut. Pizza Hut model transformed from a dine-in model to focus on delivery and takeaway model.
2002	Restaurant Brands acquires 51 Pizza Hut stores in Victoria, Australia.
2008	Restaurant Brands divests its Pizza Hut operations in Victoria, Australia.
2011	Restaurant Brands begins selling Pizza Hut stores to independent franchise owners in New Zealand. Forsgren NZ Ltd (Forsgren) opens the first Carl's Jr stores in New Zealand. Restaurant Brands acquires New Zealand franchise rights for Carl's Jr (exclusive for further stores but subject to existing rights held by Forsgren in Auckland).
2012	Restaurant Brands opens its first Carl's Jr stores in New Zealand.
2014	Restaurant Brands acquires seven Carl's Jr stores that were owned by Forsgren NZ Ltd.
2016	Restaurant Brands acquires QSR Pty Limited, which owns 42 KFC stores in New South Wales, Australia.
2017	Restaurant Brands acquires Pacific Island Restaurants Inc., which owns 37 Taco Bell and 45 Pizza Hut stores in Hawaii, Guam and Saipan.
2018	Restaurant Brands divests its Starbucks Coffee stores in New Zealand.
2019	Finaccess Capital acquires a majority 75% stake in Restaurant Brands. Restaurant Brands brings the Taco Bell brand to New Zealand and New South Wales, Australia.
2020	Restaurant Brands acquires 58 KFC and 11 combined KFC / Taco Bell stores in California, USA.
2025	Restaurant Brands receives a takeover Offer from Finaccess Capital.

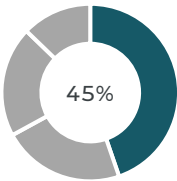
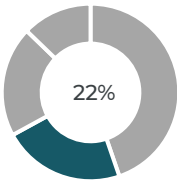
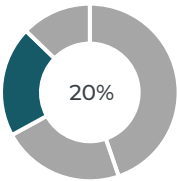
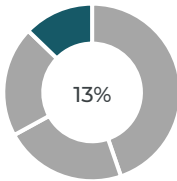
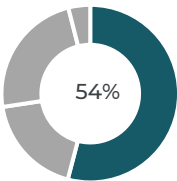
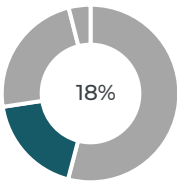
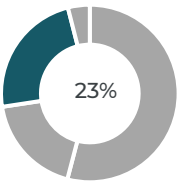
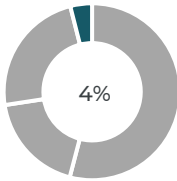
Since its incorporation, Restaurant Brands has made several investments into new brands and regions. It has made several investments into various markets and new concepts, as well as reinvesting into its existing network. Some investments have been value accretive (e.g. investment into Hawaii and KFC Australia), while other investments have performed below original expectations and have negatively impacted on the value of RBD Shares.

Restaurant Brands currently oversees a network of 522 stores, including 380 owned and operated stores under four brands across four geographic regions, as well as 137 stores owned by independent franchisees in New Zealand.



4.2 Operational overview

Restaurant Brands is organised into five operating segments, each segment representing a region plus the corporate function. This is the level at which the company is managed.

	New Zealand	Australia	Hawaii ⁸	California
Entry date	1997	2016	2017	2020
FY24 Store revenue (contribution by value and proportion)	\$625.9 million 	\$309.9 million 	\$280.3 million 	\$177.4 million 
FY24 Store EBITDA (contribution by value and proportion)	\$104.0 million 	\$35.3 million 	\$44.7 million 	\$7.6 million 
Store network ⁹	   	 	 	
Owned	115 17 6 18	73 10	36 34	71 ¹⁰
Franchisee	– – 137 –	– –	– –	
Total	115 17 143 18	73 10	36 34	71
Supply chain managed by	Restaurant Brands logistics team	Yum!	Yum!	Yum!

Source: Restaurant Brands annual reports, Restaurant Brands management, store numbers as at 30 June 2025

New Zealand is the Company's largest and most profitable market, contributing more than half of the group store revenue and store EBITDA.¹¹ The next most profitable market is Hawaii, which is underpinned by its Taco Bell operations. KFC is the most prominent brand across the portfolio, representing close to two thirds of Restaurant Brands' overall store network.

The supply chain, pricing and advertising for Restaurant Brands' New Zealand operations are predominantly managed by its own teams. In contrast, supply chain and advertising activities are largely managed by Yum! entities for Restaurant Brands' United States and Australian operations.

⁸ Including Saipan and Guam.

⁹ As at 30 June 2025

¹⁰ 11 of the 71 KFC stores in California also sell Taco Bell menu items.

¹¹ Store EBITDA is frequently used and referred to as a performance metric. It is defined in the annual report as EBITDA before General and Administration (G&A) expenses, NZ IFRS 16 and Other Items.



Regions and store network

Restaurant Brands has significantly grown the number of owned stores since FY19, primarily through its entry into California, which added around 70 stores, and the addition of 20 stores (net) in Australia.

Figure 5: Number of owned stores, by location



Source: Restaurant Brands annual reports

The overall number of Company owned New Zealand stores has increased by around 5% between December 2019 and December 2024. This change has included a decrease in FY20 due to the sale of 16 Company owned Pizza Hut stores to sub-franchisees, followed by the addition of new KFC and Taco Bell stores.

Restaurant Brands' entry into California took place at the start of FY20, when it acquired 58 KFC and 11 combined KFC-Taco Bell stores in Southern California. The stores performed well for a period after they were first acquired but their performance has since deteriorated. The overall number of stores has remained reasonably static, with some new stores added but some unprofitable locations closed or converted to standalone KFC operations.

Restaurant Brands is optimising its portfolio in certain regions. This has involved exiting underperforming stores in Australia and California, coupled with new store formats to build brand awareness and penetration.

Franchise agreements

Restaurant Brands is a corporate franchisee, operating brands licensed from Yum! and CKE Restaurants Holdings, Inc. (CKE). Yum! owns the KFC, Taco Bell and Pizza Hut brands and CKE owns Carl's Jr.

Restaurant Brands holds a master franchise with Yum! for Pizza Hut in New Zealand, which has allowed it to divest its Pizza Hut stores to sub-franchisees over time. It operates a normal corporate franchisee model (i.e. it owns and operates stores) in all other jurisdictions and for all other brands.

Restaurant Brands pays royalty fees and advertising contributions to Yum! and CKE. These are a percentage of sales, payable monthly. The exact percentage varies between brands and locations.



The franchise agreements and relationships with Yum! and CKE are long-standing and usually expressed with 10 year initial terms with 10 year extension rights provided that the franchisee is in good standing with the franchisor at the time of renewal. Renewal conditions commonly include store refurbishment requirements. Franchise agreements can be terminated for a number of reasons, including food safety breaches, non-payment of royalties/advertising contributions and failure to meet development targets or refurbishment requirements.

Restaurant Brands has sub-franchisee agreements with numerous independent operators of Pizza Hut stores in New Zealand. These agreements are typically expressed with 10 year initial terms with 10 year extension rights provided that the sub-franchisee is in good standing with the master franchisor at the time of renewal. As master franchisor, Restaurant Brands provides marketing, supply chain and logistics services to sub-franchisees and is responsible for ensuring that sub-franchisees operate their stores in accordance with Pizza Hut brand standards.

Corporate strategy

Restaurant Brands has communicated four focus areas. There is an overarching continued focus on improving profitability in all jurisdictions, and topline growth in California.

Table 2: Corporate strategy

Focus areas	 Profitable & Sustainable Growth	 Operational Innovation & Excellence	 Customer Centricity	 High performing team
What Restaurant Brands is focussed on	- Revenue and margin growth - Network expansion - Brand equity and reach	- Scaling automation and digital capabilities - Advances in sustainability - Optimising systems and processes	- Menu innovation - Seamless digital interactions - Store enhancements	- An engaged and inclusive workforce - Engagement and development
FY24 highlights	- New store formats for speed and convenience - Franchise expansion - Margin improvements through pricing and cost efficiency	- Upgraded point of sales systems - Energy saving initiatives - Strengthened supply chain and inventory systems	- Consistent menu innovation - Enhanced engagement programs - Launched digital first compact stores	- Centralised strategic decision making - Improved health and safety - Enhanced culture and team connection
Key priorities for FY25	- Expansion of stores in high growth locations - Revenue and margin gains - Strategic revenue programs	- Further automation - Investment in green technology - Greater cross-market alignment	- Continued optimisation of digital channels - Value-led promotions - Enhanced loyalty schemes	- New talent framework to attract and retain - Enhanced recognition programmes - Expanding leadership pathways

Source: Restaurant Brands annual report



4.3 Share ownership

As at 7 October 2025, Restaurant Brands has 124,758,523 shares on issue and more than 4,700 registered shareholders.

Table 3: Share register summary, as at 7 October 2025

Shareholder	Shares	Percentage
1 New Zealand Central Securities Depository Limited ¹²	108,395,198	86.88%
2 HSBC Custody Nominees (Australia) Limited	1,749,997	1.40%
3 Custodial Services Limited	1,675,805	1.34%
4 New Zealand Depository Limited	1,246,308	1.00%
5 Forsyth Barr Custodians Limited	894,265	0.72%
6 JP Morgan Nominees Australia Limited	873,081	0.70%
7 Guobang Liu	170,679	0.14%
8 Ja Hong Koo & Pyung Keum Koo	160,000	0.13%
9 FNZ Custodians Limited	154,762	0.12%
10 David George Harper & Karen Elizabeth Harper	150,538	0.12%
Top 10 shareholders	115,470,633	92.56%
Remaining shareholders	9,278,890	7.44%
Total	124,758,523	100.00%

Source: Computershare

As at the date of this report, Finaccess and its related entities are the only substantial product holders of RBD Shares. This means no other entity holds or controls more than 5% of the RBD Shares.

Before the Offer, Finaccess controlled 93,591,419 (75.02%) of the RBD Shares. This has increased as a result of the Offer.

As at 23 October 2025, Finaccess controls 108,495,106 (86.96%) of the RBD Shares, which includes shares it acquired from ACC pursuant to the Lock-up Deed between Finaccess and ACC. That leaves 13.04% RBD Shares held by other shareholders. These shares are reasonably widely held, with shareholders generally holding relatively small parcels of shares.

Under the Takeovers Code, if an offeror (Finaccess in this case) acquires 90% or more of the shares, it gains the right to compulsorily acquire the remaining shares from minority shareholders. As at 23 October 2025, Finaccess only requires acceptances for an additional 3,792,659 RBD Shares (3.04%) to reach the 90% threshold.

Due to the substantial holding by Finaccess, the RBD Shares have a reasonably low free float (as a percentage of total RBD Shares). This will decrease further following the Offer if Finaccess does not reach 90% and undertake compulsory acquisition.

¹² New Zealand Central Securities Depository Limited holds shares as a custodian for other parties. The 108,395,198 (86.88%) RBD Shares it held as at 7 October 2025 included the RBD Shares controlled by Finaccess at the time, the shares that were held by ACC, as well as RBD Shares beneficially held by other parties.



4.4 Share price performance

Figure 6 shows the prices and volumes of RBD Shares traded on the NZX Main Board since January 2021.

Figure 6: Share price and volume traded, NZX Main Board



Source: S&P Capital IQ. The monthly volume is not shown for October 2025, as a full month of trading volumes was not available at the time this Report was finalised.

At their peak, RBD Shares generally traded at between \$15.50 and \$16.00 per share between the months of July and October 2021. This followed the acquisition of the Californian operations in 2020. At around this time the Californian operations were trading well, there was widespread fiscal stimulus by Governments in response to COVID-19, and global share prices were bullish.

Between early 2022 and around November 2023, the RBD Share price decreased from around \$15 per share to around \$3.50 per share. During this time the Company experienced margin compression as a result of inflationary pressure, the long tenured Chief Executive Office and Chief Financial Officer of Restaurant Brands retired, the longer-term impact of COVID-19 (including variants) became better understood by market participants and an Australian subsidiary of Restaurant Brands was named as a respondent in a class action lawsuit. All this coincided with reduced profits compared to 2021.

Since late 2023, the RBD Share price has fluctuated between \$2.80 and \$4.30 per share, with an overall downwards trend. The closing RBD Share price of \$2.96 per share on the day before the Offer was notified was near the low point of the share price over the prior decade.



Table 4 shows the price and volume of RBD Shares traded on the NZX Main Board in the periods to 29 September 2025, before the Offer. This table does not capture trades on the ASX, but trades in RBD Shares on that exchange are low when compared to the NZX Main Board.

Table 4: Share price and volume traded on the NZX in the period to 29 September 2025

	Share price (NZD)			Volume (000s)	Proportion of issued capital
	Low	High	VWAP		
30 Days	2.80	2.99	2.82	3,581	2.87%
90 Days	2.80	3.08	2.87	7,393	5.93%
Six months	2.80	3.57	2.91	8,844	7.09%

Source: S&P Capital IQ

The proposed consideration of \$5.05 per share represents:

- A premium of 70.6% on the closing share price of \$2.96 on 29 September 2025.
- A premium of 79.1% on the VWAP of \$2.82 for the 30 days ended 29 September 2025.
- A premium of 76.0% on the VWAP of \$2.87 for the 90 days end 29 September 2025.
- A premium of 73.5% on the VWAP of \$2.91 in the six months ended 20 September 2025.



5. Financial overview

5.1 Consolidated financial performance

Restaurant Brands' consolidated financial performance is summarised in Table 5. FY22 to FY24 are based on the audited financial statements. FY25 is based on management's most recent forecast, which includes 6 months actual performance plus 6 months forecast (FY25 Forecast).¹³

Table 5: Historical financial performance, pre-NZ IFRS 16 (\$ millions)

	FY22	FY23	FY24	FY25 Forecast
New Zealand	529.2	571.8	625.9	646.5
Australia	283.4	310.0	309.9	314.7
Hawaii	247.5	259.7	280.3	301.3
California	179.0	180.7	177.4	179.3
Store revenue	1,239.0	1,322.2	1,393.6	1,441.8
Store operating expenses	(1,058.8)	(1,143.8)	(1,199.3)	(1,243.3)
Store EBITDA¹	180.2	178.4	194.3	198.5
General and administration expenses	(60.9)	(66.7)	(66.1)	(70.6)
Net franchise income	6.1	7.8	9.5	9.2
EBITDA	125.4	119.5	137.7	137.1
Depreciation	(44.9)	(47.6)	(51.5)	(53.0)
Amortisation	(10.1)	(10.1)	(9.7)	(7.8)
Other income	2.5	4.7	1.0	-
Other expenses	(5.4)	(1.8)	(1.2)	(1.2)
Impairment charges	-	(9.0)	(7.8)	-
EBIT	67.5	55.7	68.5	75.1
Metrics				
Store revenue growth	16.0%	6.7%	5.4%	4.7%
Franchise revenue growth	28.1%	23.5%	11.1%	2.7%
Store EBITDA margin	14.5%	13.5%	13.9%	13.8%
EBITDA margin	9.7%	8.6%	9.3%	8.9%

Source: Restaurant Brands' annual reports and management forecast

Notes: [1] Store EBITDA is pre-General and Administrative expenses and pre IFRS 16 and excludes other income and expenses that are not directly attributable to the stores. This provides the results of the Group's core operating business.

¹³ The key assumptions for the FY25 Forecast are the revenue and margins in each region. These assumptions are detailed at Sections 5.2.2 to 5.2.5.



Key points to consider when considering Restaurant Brands' financial performance include:

- Revenue includes store revenue (~95% of total revenue) and other revenue which relates to revenue received from stores owned by sub-franchisees in New Zealand.
- Store revenue grew by 12.5% between FY22 and FY24, largely due to network expansion. Same Store Sales (SSS) growth of approximately 5%, and favourable foreign exchange movements. Over the period, a net five stores was added, the additions were concentrated to KFC and Taco Bell in New Zealand.
- Same Store Sales (SSS) growth was mixed across the brands and regions. While SSS growth was positive overall, there were contractions in some brands and regions, due to lower transaction volumes off the back of weaker consumer sentiment.
- A more detailed analysis by region and brand is provided in section 5.2.
- Whilst other revenue from sub-franchisees only represents a small proportion of total revenue, it increased 45% between FY22 and FY24, due to the network footprint increasing from 112 to 148 stores over the period, and incentive payments from Yum! as head franchisor.
- Cost of sales includes input costs, primarily ingredients and labour, and to a lesser extent delivery costs. Food and labour have both experienced significant inflationary pressures over recent years across Restaurant Brands' key markets. Despite this, gross margin has remained relatively stable between 16% and 17%, due to a combination of menu innovations, price increases and cost control measures such as a shift towards self-service and app-based ordering.
- Royalties paid to Yum! tend to be a variable cost and have remained around 6% of revenue.
- General and administration expenses are non-store related overheads, this includes non-store staff related costs, Software as Service (SaaS) systems, support office leases, professional fees, and other sundry expenses from support offices and corporate.



5.2 Financial performance by region

5.2.1 Overview

Each region differs in terms of brand equity, access, consumers and competitors which ultimately affects profitability and growth.

Table 6: Regional performance summary, FY24 (\$ million)

	New Zealand	Australia	Hawaii	California
Owned stores (number at year end)	155	85	70	71
Average revenue per store	4.0	3.6	4.0	2.5
Store revenue	625.9	309.9	280.3	177.4
Store EBITDA margin	16.6%	11.4%	16.9%	4.3%
Store EBITDA	104.0	35.2	47.4	7.7
Same store sales (SSS) growth	4.6%	(3.3%)	4.2%	(3.9%)
Network footprint growth	5.4%	1.2%	0%	(5.3%)

Source: Restaurant Brands annual reports and management information

Notes: All amounts stated in New Zealand dollars (millions). SSS growth is measured in local currency.

Restaurant Brands has operated KFC in New Zealand for a significant number of years. It is a well-entrenched brand and has adapted to regional consumer preferences. Although Restaurant Brands has not held a franchise agreement for KFC in Australia for as long, similar dynamics apply. KFC is successful in both regions and is Restaurant Brands' largest and best performer in both of those regions. However, recent new entrants to the market in New Zealand including Popeyes (2024) and Nene Chicken (2023) may present increased competition and challenge the long-established brands.

Restaurant Brands launched Taco Bell in New Zealand and Australia in 2020, immediately before the COVID-19 pandemic. Ordinarily management would expect to establish a new brand within five to seven years. Given the disruption caused by COVID-19, followed by the challenging macro-economic environment, the timeframe to achieve an established brand has lengthened. This is reflected in Taco Bell's performance in both those markets where it has failed to deliver profits to date. This is contrasted with Hawaii where Taco Bell has had a presence since 1976 – it is very much a household brand, delivers superior margins and has continued to grow sales. As a market, Hawaii is also distinct in that there are significant barriers to entry given the challenges securing sites and restrictions on developing stores.

The average revenue per store is substantially different between different brands and regions. The average revenue per store is strongest in New Zealand and Hawaii, as a result of KFC and Taco Bell, respectively. Average revenue in Australia is supported by KFC. Together, KFC in New Zealand and Australia, and Taco Bell in Hawaii contribute more than 90% of store EBITDA from around 70% of revenue.

Trading has been challenging in California due to the macroeconomic environment as well as the consumer perception of the KFC brand across the US network. California is a highly competitive environment for QSRs and the KFC brand does not currently enjoy the same recognition and brand equity as it did historically. Added to this, in recent years California faced significantly more pronounced minimum wage rate inflation which has further pressured margins.



5.2.2 New Zealand

Table 7: New Zealand financial performance (\$ millions)

	FY22	FY23	FY24	FY25 Forecast
Store revenue	529.2	571.8	625.9	646.5
Store EBITDA margin	16.9%	14.1%	16.6%	15.9%
Store EBITDA	89.4	80.5	104.0	103.1
General and administration expenses	(22.6)	(23.2)	(24.4)	(23.6)
Net franchise income	6.1	7.8	9.5	9.2
EBITDA	72.9	65.1	89.2	88.7
<i>SSS growth</i>	<i>2.4%</i>	<i>6.2%</i>	<i>4.6%</i>	<i>3.7%</i>
<i>Owned stores (number at year end)</i>	<i>143</i>	<i>147</i>	<i>155</i>	<i>159</i>
<i>Franchised stores (number at year end)</i>	<i>112</i>	<i>122</i>	<i>140</i>	<i>148</i>

Source: Restaurant Brands annual reports and management information

Key takeaways:

- KFC is the most significant brand for Restaurant Brands in New Zealand, by both revenue and EBITDA.
- SSS growth has been positive since FY22, and this is expected to continue in FY25. This trend has generally been consistent within the various brands.
- The performance through FY22 and FY23 coincided with a period of high inflation. This had a material impact on EBITDA margins in FY23, due to increased input costs not being fully recovered through increased pricing, particularly in circumstances where inflation was also impacting on consumers' discretionary spending.
- The store network has grown, with an expected 11% increase over the three years between December 2022 and 2025.
- Net income from franchisees has followed a similar trend, with both the number of franchised stores and the net income per franchised stores increasing over the three years to FY24.
- Restaurant Brands has a high level of control over sourcing ingredients, pricing and advertising in New Zealand, and some control over the menu, managing these items itself, subject to its franchise agreements with the brand owners.



5.2.3 Australia

Table 8: Australia financial performance (\$ millions)

	FY22	FY23	FY24	FY25 Forecast
Store revenue	248.3	310.5	309.9	314.7
Store EBITDA margin	12.6%	12.2%	11.4%	12.0%
Store EBITDA	31.2	37.8	35.2	37.9
General and administration expenses	(14.3)	(15.3)	(14.3)	(14.6)
EBITDA	16.9	22.5	20.9	23.3
SSS growth	7.4%	6.5%	(3.3%)	4.1%
Owned stores (number at year end)	83	84	85	88

Source: Restaurant Brands annual reports and management information

Key takeaways:

- KFC is the most significant brand for Restaurant Brands in Australia, by both revenue and EBITDA.
- SSS contracted in FY24 as both the KFC and Taco Bell brands suffered challenging trading conditions, related to consumer confidence and discretionary spending.
- Over the period shown, Taco Bell has performed poorly relative to KFC in Australia. Restaurant Brands closed two Taco Bell stores in the first half of FY25 as part of its network optimisation strategy. The trading environment has been particularly challenging for this brand in Australia, with Collins Foods announcing in 2025 that it is exiting Taco Bell in Australia due to poor performance.
- Restaurant Brands has a reasonably low level of control over the KFC menu, sourcing ingredients, pricing and advertising in Australia, with these items managed by Yum!



5.2.4 Hawaii

Table 9: Hawaii financial performance (\$ millions)

	FY22	FY23	FY24	FY25 Forecast
Store revenue	248.3	261.2	283.0	301.3
Store EBITDA margin	17.0%	17.2%	16.7%	17.0%
Store EBITDA	42.3	45.0	47.4	51.2
General and administration expenses	(10.9)	(11.9)	(12.6)	(14.0)
EBITDA	31.4	33.1	34.8	37.2
SSS growth	2.9%	3.6%	2.6%	3.7%
Owned stores (number at year end)	75	70	70	69

Source: Restaurant Brands annual reports and management information

Key takeaways:

- Taco Bell is the most significant brand for Restaurant Brands in Hawaii, by both revenue and EBITDA.
- For reporting purposes, Hawaii also includes the Group's locations in Saipan and Guam.
- SSS growth has been positive since FY22, and this is expected to continue in FY25. This trend is underpinned by growth in Taco Bell revenue.
- Positive movements in foreign exchange rates have also been a contributor to growth in revenues as reported in NZD terms.
- Compared to Restaurant Brands' other regions, store EBITDA margins in Hawaii have remained relatively stable throughout the period shown. Restaurant Brands has faced many of the same challenges in Hawaii but has been able to maintain margins.
- Restaurant Brands has a reasonably low level of control over menu, sourcing ingredients and advertising in Hawaii, with these items mostly managed by Yum!



5.2.5 California

Table 10: California financial performance (\$ millions)

	FY22	FY23	FY24	FY25 Forecast
Store revenue	179.0	180.8	177.5	179.3
Store EBITDA margin	9.6%	8.3%	4.3%	3.5%
Store EBITDA	17.1	15.1	7.7	6.3
General and administration expenses	(9.0)	(10.9)	(11.4)	(12.2)
EBITDA	8.1	4.1	(3.7)	(5.9)
SSS growth	(2.9%)	(4.3%)	(3.9%)	2.0%
Owned stores (number at year end)	75	75	71	69

Source: Restaurant Brands annual reports RBD management information

Key takeaways:

- All Restaurant Brands sites in California sell KFC but a small number also offer Taco Bell menu items.
- Following Restaurant Brands' expansion into the US market in September 2020, there was an initial period of growth in revenues to \$179 million in FY22 (from \$156 million when it acquired the stores). This growth was achieved primarily through network expansion.
- SSS have contracted between FY22 and FY24. In NZD terms, total revenues have remained stable due to favourable foreign exchange movements. However, EBITDA margins have declined substantially.
- The shift to in-store kiosks remains a key component of Management's strategy and has supported a slight improvement in the fourth quarter of FY24. However, Store EBITDA margins are expected to contract further in FY25, leading to increased losses.
- Management plans to improve the Californian operations through enhanced operational efficiencies, and the optimisation of the store portfolio. Management expect it will take 12-18 months to see better trading performance.
- SSS growth is needed to improve performance. Yum! has launched initiatives to reinvigorate the KFC brand in the US as it aims to regain its position as a leading fast food chicken restaurant, through its "Kentucky Fried Comeback". These initiatives will require franchisees to increase investment into advertising. The success of these initiatives is difficult to estimate at the present time.
- Restaurant Brands has a reasonably low level of control over menu, sourcing ingredients and advertising in California, with these items managed by Yum!



5.3 Financial position

The historical financial position of Restaurant Brands is summarised below:

Table 11: Historical financial position (\$ millions)

	Dec 22	Dec 23	Dec 24	Jun 25 Interim
Cash and bank	29.9	31.6	30.8	29.9
Trade and other receivables	15.6	23.7	26.4	25.2
Inventory	25.1	19.8	19.0	18.2
Current tax assets	9.9	4.6	5.2	6.1
Current assets	80.2	79.7	81.5	79.3
Property, plant and equipment	319.3	341.8	358.3	331.2
Right-of-use assets	607.8	587.6	608.0	575.5
Intangible assets	358.3	349.2	368.9	342.9
Deferred tax assets	43.6	54.2	63.4	64.4
Other non-current assets	8.0	13.3	11.4	12.7
Total non-current assets	1,337	1,346.1	1,410.0	1,326.7
Total assets	1,417.3	1,425.8	1,491.5	1,406.0
Trade and other payables	119.9	132.6	135.8	131.9
Lease liabilities	29.6	32.0	34.5	33.6
Current tax liabilities	1.5	-	5.9	4.6
Provisions	1.9	1.7	1.9	1.9
Total current liabilities	152.8	166.3	178.1	172.1
Loans	280.3	289.0	284.1	238.0
Lease liabilities	685.3	674.3	708.6	677.8
Other non-current liabilities	5.7	5.8	6.2	6.2
Total non-current liabilities	971.3	969.1	999.0	921.9
Total liabilities	1,124.1	1,135.4	1,177.1	1,093.9
Net assets	293.2	290.4	314.4	312.1

Source: Restaurant Brands annual and interim reports

Assets

Intangible assets are primarily composed of goodwill (\$310 million) and capitalised franchise fees (\$58 million). Capitalised franchise fees relate to fees incurred in obtaining franchise rights, which need to be incurred periodically (approximately \$8.6 million, net of accumulated amortisation), as well as reacquired franchise fees (approximately \$49.4 million, net of accumulated amortisation) recognised on the acquisition of the Australian, Hawaiian and California operations.

Property, plant and equipment (PPE) is primarily composed of leasehold improvements and equipment and fittings at the various owned stores. PPE has increased over the period as the store number has increased, and stores have been refurbished.

Capital expenditure has averaged around \$80 million per annum between FY22 and FY24 (nominal), including opening new stores, refurbishment costs, acquiring franchise rights, acquiring sites for development, acquiring existing stores, and other general capital expenditure.

The majority of stores and the offices are leased premises, giving rise to the right of use asset (and corresponding lease liability).



Working Capital

The historical working capital balances of Restaurant Brands is summarised below:

Table 12: Historical working capital (\$ millions)

NZ\$'000	Dec 22	Dec 23	Dec 24	Jun 25
Inventories	25.1	19.8	19.0	18.2
Trade & other receivables	15.6	23.7	26.4	25.2
Creditors & accruals	(119.3)	(131.3)	(134.9)	(130.5)
Provision for employee entitlements	(4.9)	(5.4)	(6.0)	(6.2)
Income tax receivable/(payable)	(8.1)	(4.6)	(0.6)	1.5
Net working capital	(75.3)	(88.6)	(96.2)	(91.8)

Source: Restaurant Brands annual report

Restaurant Brands operates a negative net working capital balance (i.e. net liability position). This reflects the business receiving most revenue at the time of sale, combined with reasonably low inventories relative to creditors.

Trade and other receivables is largely amounts receivable from the sub-franchisee network, collected in the month after they are earned.

Loan facilities

Loans are unsecured bank loans with Westpac, Bank of China, J.P. Morgan and Rabobank under a negative pledge arrangement.

Restaurant Brands last refinanced its loan facilities during FY22 with four and five-year terms, with the two key next refinancing dates being at the second half of FY26 and FY27. As at FY24 Restaurant Brands had utilised roughly 70% of its total facilities of NZ\$405 million.

A summary of the facilities by denomination and the expiry date is shown in the table below:

Table 13: Loan facilities by expiry date (\$ millions)

Denomination	14-Dec-26	14-Dec-27
NZD	36.0	24.0
AUD	66.0	44.0
USD	75.0	50.0

Source: Restaurant Brands annual report



6. Valuation

6.1 Approach to valuation

Standard of value

We have estimated the 'fair market value' of Restaurant Brands. Fair market value is the price that would be negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, both acting at arm's length.

Business interest being valued

Our valuation is based on the acquisition of the whole of Restaurant Brands and accordingly incorporates a premium for control.

All else being equal, a controlling interest in shares is typically more valuable than an interest without control. This is because a non-controlling interest has limited influence over important business decisions, such as declaring dividends and determining the investment strategy. Accordingly, the value we have assessed exceeds the level at which, under normal market conditions, we would generally expect shares in Restaurant Brands to trade on the share market.

Common valuation techniques

The three most commonly used valuation methods applied to business valuation are:

- Discounted cash flow (DCF) method
- Capitalisation of earnings and other market-based approaches
- Summation method, and other cost-based approaches.

Each of these methods is appropriate in different circumstances. A key factor in determining which method is appropriate is the actual practice commonly adopted by purchasers of the type of business involved. These valuation methods and approaches are explained in greater detail at Appendix 3.

Valuation techniques adopted

We have valued the geographic segments and corporate function separately and then aggregated the component parts to determine the value of the whole business. This is commonly referred to as a sum-of-the-parts (SOTP) valuation.

We consider it is useful to consider the geographic segments separately, given the different opportunities and challenges each brand faces within each market, both brand specific and macro-economic.

We have adopted the DCF methodology to estimate the fair market value of Restaurant Brands on a standalone basis. We consider this approach is appropriate because:

- The DCF methodology is suited to valuing businesses where current earnings are not representative of expected future earnings. This is particularly relevant to valuing a business experiencing change and is continuing to grow and evolve in certain segments (for example Taco Bell in Australia and New Zealand is not fully established).
- The DCF methodology allows the variable nature of key factors such as changes to EBITDA margins to be specifically addressed.
- The DCF methodology requires long-term financial forecasts. Restaurant Brands has prepared five-year financial forecasts (**the Forecasts**) for each of its brands within each of its geographic areas. The Forecasts were finalised in September 2025 and represent Restaurant Brands' best estimate of the future financial performance of its operating segments.

We have also used a market-based approach to crosscheck the value derived from the DCF method. In particular, we have considered earnings multiples for Restaurant Brands' operating segments.



Valuation date

We have adopted a valuation date of 30 September 2025, which is the date of the most recent balance sheet available at the time we prepared this Report.

Our valuation was finalised on 21 October 2025. When preparing the valuation, we considered and factored in events that occurred up to this date. However, our valuation does not take into account unforeseen events that occur after 21 October 2025. Therefore, when deciding on whether to accept or reject the Offer, shareholders may want to also consider events that occur after 21 October 2025, such as movements in the prices of other listed companies, changes to interest rates, and changes to foreign exchange rates.



6.2 Valuation summary

We estimate the fair market value of Restaurant Brands' equity at between \$5.24 and \$6.20 per RBD Share, as summarised in Table 14. The offer price is below our assessed range.

Table 14: Valuation assessment (\$ millions, except where specified otherwise)

	Low	High
New Zealand operating segment	560.0	610.0
Australia operating segment	150.0	170.0
Hawaiian operating segment	310.0	335.0
California operating segment	0.0	15.0
Unallocated corporate overheads	(150.0)	(140.0)
Enterprise value (EV)	870.0	990.0
Net debt	(216.3)	(216.3)
Equity value	653.7	773.7
RBD Shares (million)	124.8	124.8
RBD Share value (\$ per share)	5.24	6.20
Implied EV / EBITDA multiples		
FY24 (historical)	6.3x	7.2x
FY25 (forecast)	6.4x	7.3x
FY26 (forecast)	6.1x	6.9x

We assess the enterprise value of Restaurant Brands at between \$870 million and \$990 million using the DCF methodology (Section 6.3). We have cross checked this enterprise value range by benchmarking against EBITDA multiples (Section 6.4).

To convert the enterprise value into an equity value, we have deducted net debt, comprised of cash and borrowings. We have based this on the balances as at 30 September 2025.

Our valuation is for 100% of Restaurant Brands and therefore includes a premium for control. This includes an allowance for cost savings associated with Restaurant Brands not being listed (worth around 12 cents per share). The value exceeds the price at which, based on current market conditions, we would expect Restaurant Brands' shares to trade in the absence of a takeover offer or transaction similar in nature to the Offer.



6.3 Discounted cash flow

We have valued Restaurant Brands' geographic operating segments and the corporate function using a DCF approach. Further details are provided below.

6.3.1 Principal assumptions and valuation parameters

Explicit forecast period

The DCF valuation is based on the Forecasts included in the five-year plan, which is approved by the board. We refer to these as the '**Base Case**' forecasts. The approach and principal assumptions for the Base Case forecasts are as follows:

- Revenue, Store EBITDA margin and capital expenditure forecasts are prepared by brand and region.
- The forecast for each region is prepared in the local currency.
- The forecast extends to FY29.
- The revenue forecasts are composed of expected network expansion and management's SSS expectation for each period. Each brand and region follows a slightly different trajectory but, overall, there is a reversion towards long term average SSS CAGR. The valuation is not highly sensitive to changes in the SSS over the explicit forecast period.
- The Company-operated store network is expected to grow. The footprint increases by approximately 10% over the forecast period, with most of the increase in New Zealand. Similar to SSS growth, the valuation is not highly sensitive to changes in the network growth assumption over the explicit forecast period.
- Store EBITDA margins generally improve and recover over the forecast period. Many of the concepts are forecast to achieve margins reasonably consistent with long-term historical averages by FY29.
- Capital expenditure is based on the refurbishment schedule, new store forecast, franchise renewals, and corporate expenditure (for example IT).
- Corporate tax rates applicable in each jurisdiction are:
 - New Zealand: 28%
 - Australia: 30%
 - Hawaii: 26%
 - California: 28%
- Corporate overheads total approximately \$70 million per annum in FY25. A large proportion is allocated to the geographic units. The unallocated overhead is valued as part of the corporate unit.
- Net working capital is forecast based on historical percentage of sales, noting the cash flow impact is minimal in a business like Restaurant Brands and does not have a material impact on the valuation.



Terminal value cash flow

We assume Restaurant Brands' operating units are at steady state at the end of the forecast period and continue to grow at an average constant growth rate of 2%, which is consistent with long term inflation expectations in each relevant jurisdiction.

The forecast is sensitive to the cash flows assumed in the terminal period, including:

- **The Store EBITDA margins:** We have assumed the following Store EBITDA margins in perpetuity. These are built up based on assumptions for the individual brands within each region and take account of the profit margins earned both historically and in the Forecasts. These margins are consistent with the margin trajectory forecast by management.

Table 15: Store EBITDA margins

	Current	Perpetuity
New Zealand	15.9%	17.1%
Australia	12.0%	14.6%
Hawaii	16.9%	16.6%
California	3.5%	10.0%
Group	13.8%	15.7%

- **Capital expenditure:** We have assumed capital expenditure (including average franchisee renewal fees) of \$90 million per annum in our terminal value calculation. For this estimate, we have considered:
 - The refurbishment cycle and the average cost of minor and major refurbishments.
 - Stores moving from time to time, even if store numbers are reasonably stable (for example, one store shutting and a new one opening). This is consistent with a portfolio optimisation strategy. We have allowed for an ongoing investment in new stores to account for this.
 - Ongoing investment in projects, head office investment, IT and systems infrastructure.

The capital expenditure in the terminal period amounts to approximately 5% of sales, which is broadly consistent with the long-term historical average and also with the long-term proportion observed in the comparable companies.

Other key valuation assumptions

We have estimated the value of each segment in its local currency; we have then converted the resulting value to New Zealand Dollars at the following exchange rates:

- NZ\$ / AU\$ exchange rate of 0.89.
- NZ\$ / US\$ exchange rate of 0.57.

We have estimated different discount rates for Restaurant Brands' New Zealand, Australian, Hawaii and Californian operating segments. We have determined the discount rates based on estimates of the post-tax nominal weighted average cost of capital (WACC) for each jurisdiction.



A key input when determining a WACC is the cost of equity. We have determined the cost of equity using a different Capital Asset Pricing Model (CAPM) formula for each jurisdiction. In particular:

- For the New Zealand operating segment, we have estimated the cost of equity by applying the Simplified Brennan-Lally CAPM. This version of CAPM is commonly used by valuation professionals in New Zealand. It is a derivation of the Classical CAPM model, adjusted to accommodate the New Zealand tax regime.
- For the Australian operating segment, we have estimated the cost of equity by applying the Sharpe Lintner CAPM (this uses the same formula as the Classical CAPM).
- For the US operating segments, we have estimated the cost of equity by applying the Classical CAPM formula.

We have calculated a WACC range as follows:

- New Zealand: 9.6% to 11.0%
- Australia: 9.7% to 10.6%
- Hawaii 8.8% to 9.6%
- California: 8.7% to 9.6%

Our WACC assessments are detailed at Appendix 4.

The discount rates do not reflect any specific risk premium associated with the threat of new entrants, for example the effect of new entrants in the chicken category in New Zealand, nor does it reflect the risk associated with continuing to establish the Taco Bell brand in New Zealand and Australia, or the turnaround of the California operations. Instead, we have considered scenarios which allow for a specific risk premium.

6.3.2 Scenarios

In addition to estimating the enterprise values using the above 'base case' assumptions, we have also considered the impacts on value of making the following standalone adjustments (keeping all else equal):

- **FY26 margin scenario:** The valuation is highly sensitive to EBITDA margins, particularly into perpetuity. In this scenario we assume the EBITDA margins do not recover materially beyond those currently forecast for FY26. For brands still gaining traction, we assume they reach break-even by the terminal period.
- **Specific risk premium:** We include scenarios with a 1% specific risk premium in our discount rate. The reasons this specific risk premium might apply depend include the impact of new entrants (for example the potential impact of new entrants in the chicken category on KFC in New Zealand), and the risk around renewal terms when franchise agreements come up for renewal.

The range derived under each scenario is based on the high and low of our discount rate. We have performed each of these scenarios in each of the jurisdictions.



6.3.3 DCF valuations by region

DCF valuation – New Zealand enterprise value

We assess a value of between \$560 million and \$610 million for the New Zealand operations, as illustrated in Figure 7.

Figure 7: New Zealand enterprise value (\$ millions)



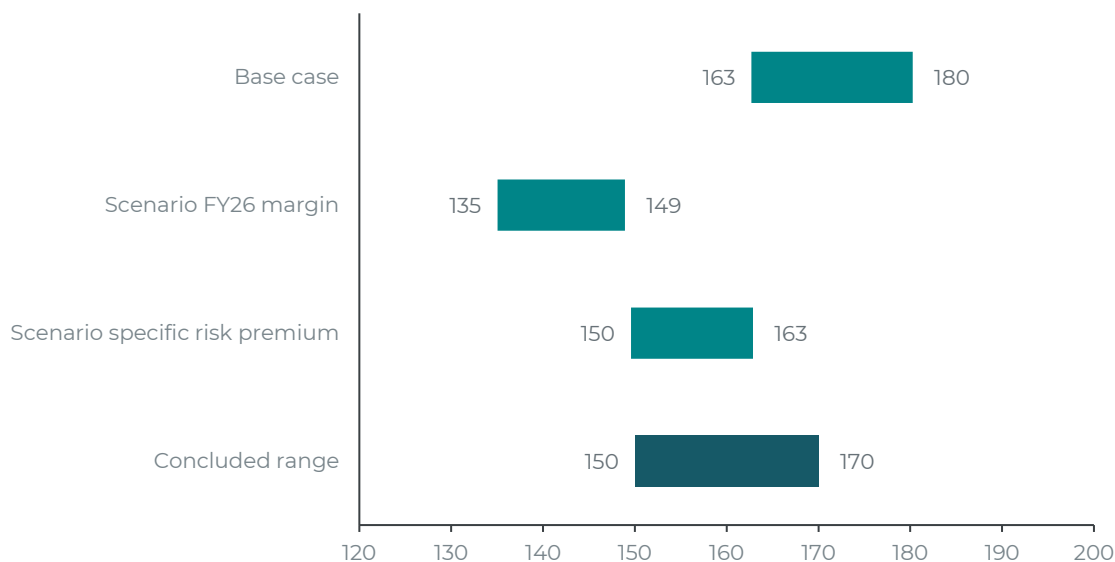
In assessing a value range for this scenario, we have given some weighting to a specific risk premium. KFC has been a stable and profitable brand for Restaurant Brands in New Zealand. However, we consider there is risk of competition from recent new entrants, which increases the uncertainty around KFC margins.



DCF valuation – Australia enterprise value

We assess a value of between \$150 million and \$170 million for the Australia operations, as illustrated in Figure 8.

Figure 8: Australia enterprise value (\$ millions)



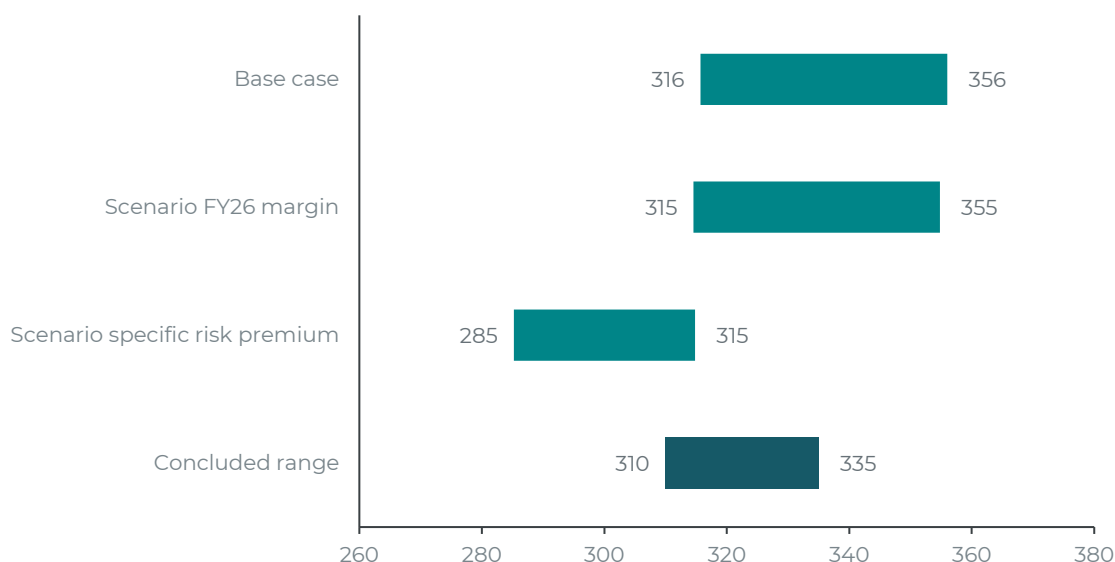
Australia is a larger market, which also comes with its challenges and greater competition. Margins in recent years have been impacted by the cost-of-living crisis and the consequent pressure on consumer spending. The Forecasts anticipate a gradual recovery which is reflected in the margins. Recognising that the recovery may take longer, we have given weight to the scenario in which FY26 margins are held constant in our overall valuation range, as well as risk of new entrants.



DCF valuation – Hawaii enterprise value

We assess a value of between \$310 million and \$335 million for the Hawaii operation, as illustrated in Figure 9.

Figure 9: Hawaii enterprise value (\$ millions)



The Hawaiian operations have historically been stable and profitable. While the margins are not expected to change materially over the forecast period, the threat of margin pressure is relevant from supply chain cost fluctuations, given the remote location, and the forecast minimum wage increases. A threat of new entrants is always present; however, the barriers to entry are higher in Hawaii relative to the other jurisdictions given the challenges associated with securing sites and regulations and controls around development. We have therefore given greater weight to the base case and FY26 margin scenario in assessing our valuation range.

DCF valuation – California enterprise value

The value of the Californian operations is highly dependent on a successful reimagining of the brand and a pathway to recover from the significant recent costs increases. The support of KFC US in reestablishing the image of the brand in the market is key. The timing and trajectory of its return to its historically profitable enterprise is uncertain. In assessing our value range, we have considered the substantial risks and uncertainty it faces and the reliance on KFC US to aid in its success. On this basis we assess a value range of \$0 million and \$15 million for the California operation.

DCF valuation – corporate overheads and capital expenditure

Corporate and other operating costs do not fluctuate between the scenarios and are largely required regardless of which scenario may persist. We assess a value of between \$155 million and \$165 million which we apply as a deduction when we calculate the enterprise value of Restaurant Brands.

We have reduced the deduction for corporate by a value of \$15 million, to take account of annual cost savings of around \$1.5 million per annum, were Restaurant Brands not to be a listed entity. This reflects cost savings to a 100% owner that does not need to incur listing costs.

After making an adjustment for cost savings, we deduct \$140 million and \$150 million to allow for corporate costs.



6.4 Market approach

6.4.1 Comparable listed companies

We set out in Figure 10 a selection of comparable listed companies, and the multiples implied by the recent on-market trading in their shares.

Benchmark multiples for listed companies are for small parcels of shares. Therefore, these multiples typically exclude a control premium that would often apply to a 100% shareholding.

The companies shown in Figure 10 are all corporate franchisees, at least in part. We note that there are differences between Restaurant Brands and the comparable companies in terms of scale, diversity of offerings and the division between the corporate franchisee operations and managing a sub-franchisee network or own brands. However, they all participate within the QSR industry and operate the same or similar brands.

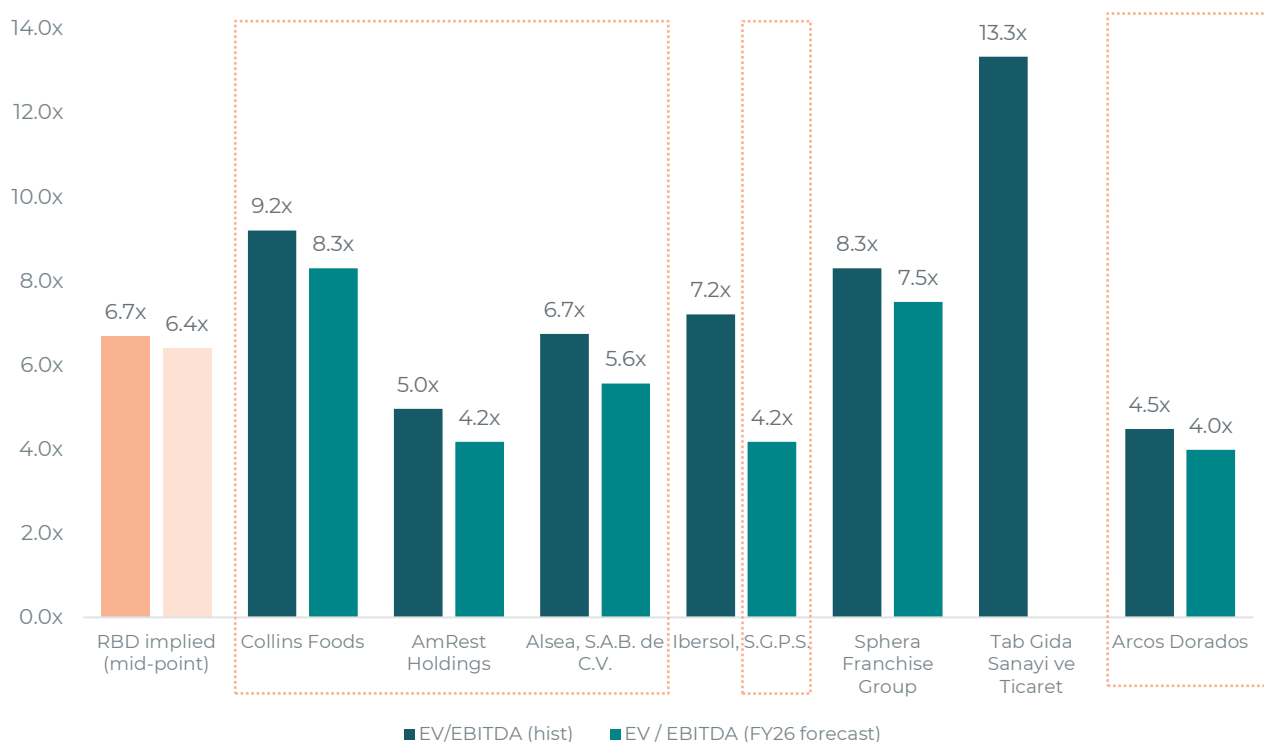
The locations and jurisdictions is also considerably different between the companies and the multiples will be influenced by different tax rules, competitive environment, the presence of other franchisees within the same brand, and the extent to which the company can influence or control the pricing, supply chain and logistics within the jurisdiction.

Further, the earnings multiple will reflect the growth expectations and risk of the underlying company. Typically, companies with greater growth prospects trade at higher multiples, all else being equal. Similarly, companies with higher perceived risk will trade at a lower multiple, all else being equal.

All of these factors should be borne in mind when referencing the comparable company data. We provide our comments on each of the companies below Figure 10.



Figure 10: EBITDA multiples of comparable listed companies



EBITDA %	9%	10%	10%	15%	9%	11%	14%	11%
Forecast growth (FY25)	(1%)	11%	5%	8%	47%	(9%)	n.a	10%
Forecast growth (FY26)	6%	13%	14%	12%	18%	22%	n.a	12%
Regions of operations		Australia, Europe	Europe, China	LATAM	Portugal, Spain, Angola	Romania, Moldova, Italy	Turkey	LATAM
Brands (not exhaustive)		KFC	KFC, PH, Starbucks, Burger King	Dominoes, Starbucks, Burger King, Chilli's	KFC, PH, TB, Pret-a-manager	KFC, PH, TB	Burger King, Popeyes, Subway	McDonalds

Source: S&P Capital IQ, Company annual reports

Notes: With exception of Collins Foods, all companies have December year ends. The historical multiple is based on the last financial year (FY24) and the forecast multiple is based on the FY26 estimates. For Collins Foods the historical multiple is based on the FY25 (March) financial year and the forecast is based on FY26 estimates.

The multiples exclude the effect of IFRS 16.

PH = Pizza Hut, TB = Taco Bell



Collins Foods operates KFCs in Australia, Germany and the Netherlands. In its most recent annual report, it described Germany as one of its growth pillars and it had signed an agreement with Yum! whereby it would accelerate its development in Germany, targeting between 40 and 70 stores over the next five years. It currently has 16 KFC stores in Germany. Germany is a large market with low levels of KFC penetration, and its existing KFC network in the country is delivering strong restaurant economics despite its relatively small size. This is a significant growth opportunity for Collins Foods that is not fully reflected in the current or near-term earnings. It has also recently announced its planned exit from the Taco Bell brand in Australia due to poor performance. Excluding Taco Bell, which reported negative EBITDA margins in FY25, will boost overall EBITDA margin. KFC Australia currently delivers in excess of 19% EBITDA margin and the European network currently reporting in the region of 12%, with a focus on improving this as Germany gains scale. On balance, we would expect Collins Foods to trade at a higher multiple compared to Restaurant Brands.

AmRest is significantly larger and more diversified; however, it operates similar brands, has similar EBITDA margins and broadly similar growth outlook (albeit slightly different timing). **Alsea** operates the same brands (plus others), is largely exposed to the Latin American market and delivers superior margins to Restaurant Brands. On balance, we consider AmRest and Alsea are reasonable benchmarks.

Ibersol operates similar brands, although it has a broader range of formats, operating restaurants (more dine-in), counters (KFC) and concessions. It has reported broadly similar EBITDA margins; however, its historical multiple reflects the significant (close to 50%) EBITDA growth expectation. This is in part due it acquiring New Restaurants of Spain (NRS) in July 2024, the full results of which will be reflected in the forecast EBITDA. This near-term growth expectation is reflected in the difference between the historical and forecast multiples. On balance, we would consider the forecast multiple to be more relevant to Restaurant Brands.

During the last financial year, **Sphera** made a strategic acquisition of Cioccolatitaliani which expanded its reach beyond the QSR segment. Cioccolatitaliani is a profitable brand with expansion potential across multiple markets, providing long-term growth opportunities. Sphera is the master franchisee for the brands in its regions. It has delivered very high growth over the last five years, growing revenue at a CAGR in the region of 17%, with EBITDA margins improving at the same time. For these reasons we consider Sphera less comparable to Restaurant Brands.

Tab Gida operates company stores and a franchise network. During FY24 it increased its store network from 1,615 stores to 1,830 stores – an increase of 13%. The full profit potential of these stores will not be reflected in the historical earnings. Instead, the historical EV/ EBITDA multiple reflects the growth expectations. However, we note that in Turkey inflation accounting is applied which we expect makes results (and multiples) less comparable.

Arcos Dorados holds the exclusive rights to McDonalds in 20 territories and countries. It operates both company operated stores as well as a franchisee network, with about 50% concentration in Brazil. It reports similar EBITDA margins to Restaurant Brands and similarly flat growth is expected for the full year FY25. On balance, we consider it provides a reasonable benchmark for Restaurant Brands.

The companies we consider most comparable to Restaurant Brands trade at an historical multiple between 4.5x and 9.2x and a forecast multiple range of between 4.0x and 8.3x.

The multiple implied by Restaurant Brands' valuation is within the range observed for the comparable companies.



6.4.2 Comparable transactions

We have also benchmarked Restaurant Brands against transactions in the broader limited-service restaurants (LSR) and fast-food industries (which includes QSR).

Similar to the listed comparable companies, the targets are broadly similar but differ in formats, franchise model, geographic locations etc. Further, many transactions are conducted for strategic reasons meaning the premium (or not) that may be paid is specific to the transaction and circumstances and therefore may not necessarily be directly comparable to Restaurant Brands.

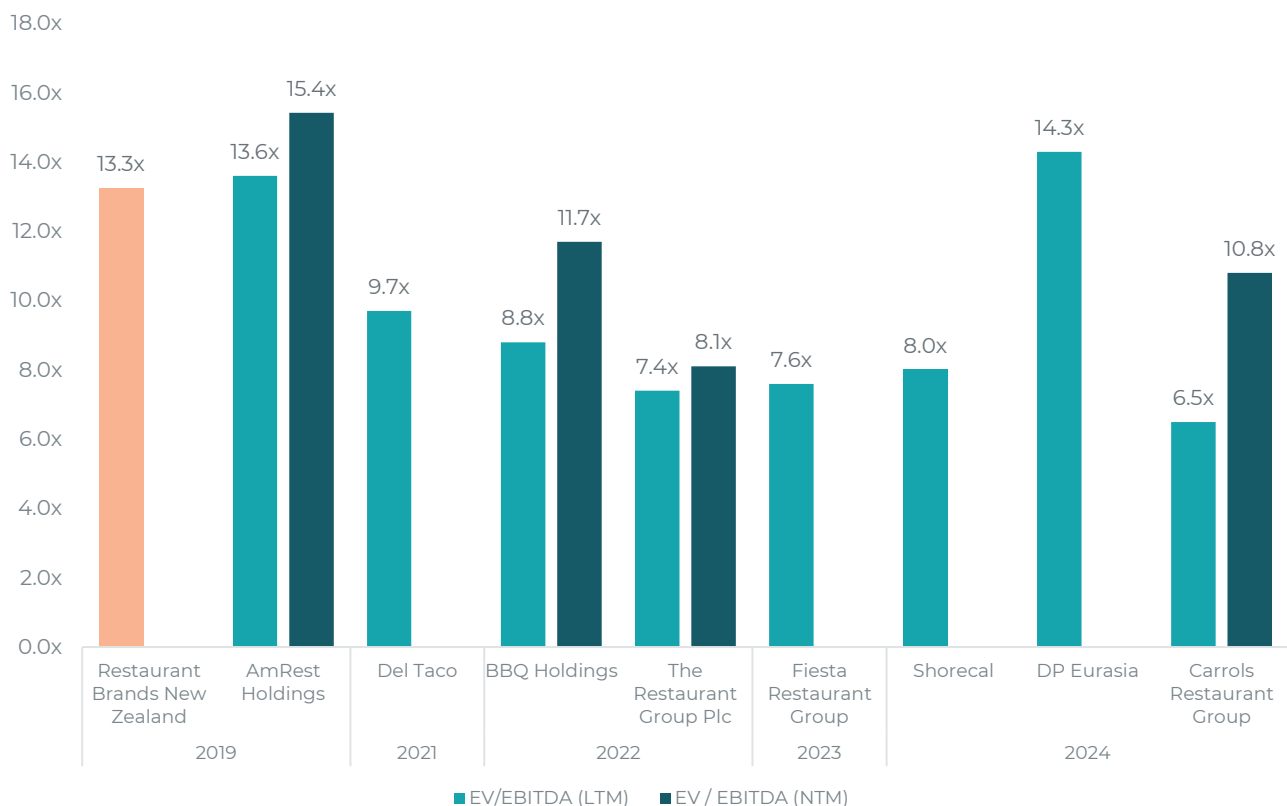
Of the transactions shown in Figure 11, we consider the acquisitions of Carrols's Restaurant Group, Shorecal, DP Eurasia, Del Taco and AmRest Holdings to be the most comparable to Restaurant Brands. These companies transacted at multiples between 6.5x and 14.3x historical EBITDA, which is a very broad range that is indicative of the varying degree of strategic imperative between the transactions. We also note that it is not clear how leases (IFRS 16) are treated in the estimation of the multiples, which can have a material effect on multiples in this industry given companies typically have significant portfolios of leased properties. For this reason, we have placed less reliance on the transaction multiples (in particular we do not have confidence the multiple has been estimated on a basis that is consistent with Restaurant Brands' EBITDA (i.e. excluding the impact of IFRS 16).)

We identified additional transactions in the limited-service restaurant market globally, and amongst other factors, eliminated transactions in companies which:

- Are the ultimate owner of a large brand under which they operate. For example we eliminate the acquisition of Subway for approximately US\$10 billion in 2023.
- Have a specific localised presence, or operate under local brands. For example we eliminate a number of companies with operations and brands limited to China.
- Provide management, consulting or other services within the LSR industry, rather than operating stores.
- There is insufficient publicly available information.



Figure 11: Selection of comparable transaction multiples.



Revenue growth ¹⁴	18%	18%	2%	26%	5%	2%	4%	21%	8%
EBITDA margin ¹⁵	13%	12%	11%	5%	9%	9%	23%	10%	5%
Regions of operations	Europe, China		US	US	UK	UK	ROI, Northern Ireland	Turkey, Azerbaijan, Georgia	US
Brands (not exhaustive)	KFC, PH, Starbucks, Burger King		Del Taco	Famous Daves, Tahoe Joes	Waga mama	Pollo Tropical, Taco Cabana	Domino's	Domino's	Burger King, Popeyes

Source: S&P Capital IQ

Carrols Restaurant Group was the largest independent Burger King franchisee, operating roughly 1,000 locations across the United States, as well as a small number of Popeyes restaurants. Carrols was purchased by Restaurant Brands International (the ultimate owner of Burger King) as part of their 'reclaim the flame' strategy and represented a strategic acquisition for the brand. The acquisition included a plan to remodel 600 of the Carrols locations. Restaurant Brands International's intention following the remodel of the portfolio, and following the successful revitalisation strategy, is to resell the locations to smaller independent franchisees. The NTM multiple is likely to be influenced by this – forecast earnings decline materially which is presumably while a portion of the network is being refurbished. The strategic rationale specific to the acquirer of the transaction would likely have influenced the price and multiple.

¹⁴ Revenue growth rate is calculated as the compound average growth rate over the five financial years prior to the transaction

¹⁵ EBITDA margin refers to the average EBITDA margin over the five financial years prior to the transaction



Shorecal operated 34 of the 99 Domino's stores across the Republic of Ireland and Northern Ireland. The remaining 85% stake that was not already owned by Domino's Pizza Group was acquired in 2024, bringing the operation 'in house'. Domino's announced that acquiring full control of Shorecal would meaningfully accelerate its growth in Ireland. A material growth opportunity supports a higher multiple, all else being equal.

DP Eurasia held the master franchise agreement to operate Domino's in Turkey, Azerbaijan and Georgia. The company previously held the master franchise agreement to operate in Russia, however following the start of the conflict, filed for bankruptcy in Russia and sold the operations in 2023. The acquisition by Jubilant Foodworks subsequently followed in 2023, at a deal premium of roughly 60% to the share price prior to the offer.

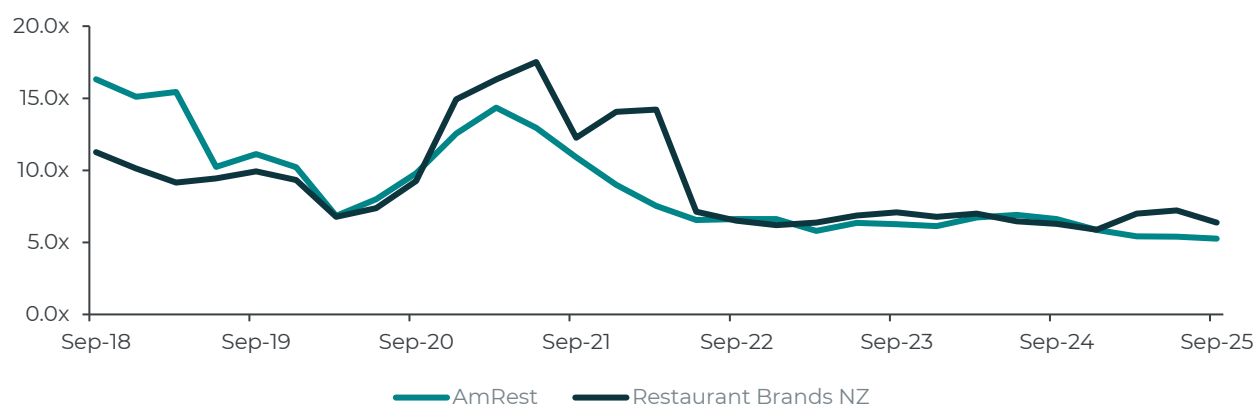
At the time, Jubilant Foodworks already held the master franchise agreement to operate Domino's and Popeyes throughout India, Sri Lanka, Bangladesh and Nepal. The addition of DP Eurasia added to its already extensive presence across Asia and presented potential synergies through expansion of the portfolio. The transaction also followed a period of significant revenue growth at a CAGR of 21% across the 5 years prior to the acquisition.

Del Taco operates Mexican inspired QSRs throughout the US through a combination of owned stores and franchisees. Del Taco merged with Jack in the Box in 2021, becoming a wholly owned subsidiary. The acquisition price of US\$12.51 per share represented a deal premium of roughly 70% above the share price before the announcement. Operational efficiencies and the ability to bring two likeminded brands together to accelerate growth were cited at the time of the acquisition. Potential benefits and synergies from the merger were likely attractive to Jack in the Box at the time of the acquisition, partially inflating the multiple.

Finaccess acquired a further 11% stake in AmRest in March 2019, increasing its holding from 56% to 67%. This transaction was 'pre-COVID' and was at the same time as Finaccess' acquisition of its 75% interest in Restaurant Brands at a similar multiple. The acquisition of the initial interest in AmRest followed a period of strong revenue growth with a CAGR of 18% across 5 years prior to the acquisition, and stable growth in EBITDA. As shown in Figure 10, AmRest currently trades at a multiple of approximately 5.0x of LTM EBITDA.

Referencing the prior transaction in Restaurant Brands, Finaccess acquired its 75% shareholding at a multiple of 13.3x LTM EBITDA, a similar multiple to AmRest at that time. AmRest's trading multiple has followed a broadly similar trend to that of Restaurant Brands', with a spike in 2021 but an overall reduction since the transactions took place in 2019.

Figure 12: AmRest and Restaurant Brands trading LTM EBITDA multiples over time



The remaining target companies all operate within the limited or quick service restaurant industry, however, operate more localised brands and/or outside of the franchise model. For example, The Restaurant Group Plc operates limited-service restaurants or pubs throughout the UK, and BBQ Holdings operate localised chains of BBQ Restaurants throughout the US.



7. Merits of the Offer

The Takeovers Code requires the independent adviser to form an opinion as to the merits of the proposed transaction and, in doing so, to take into consideration issues wider than just a valuation.

The term 'merits' has no definition in either the Takeovers Code or in any statute dealing with securities or commercial law in New Zealand. Although the Takeovers Code does not prescribe a meaning of the term 'merits', the Takeovers Panel has interpreted the word to include both positives and negatives in respect of a transaction. We have adopted that approach in preparing this Report.

7.1 Restaurant Brands' performance

Restaurant Brands' performance has been negatively impacted in recent periods by inflationary pressure on input costs, combined with low consumer confidence and discretionary spending. This has substantially impacted Restaurant Brands' Californian operations, which are incurring EBITDA losses.

Restaurant Brands' most profitable operations are KFC in New Zealand and Taco Bell in Hawaii. These operations have been reasonably resilient to the macroeconomic environment since COVID-19. However, for these two operations, there is a longer-term risk of increased competition in the respective markets for their respective products.

Over the longer term, management expects improvements to all operating segments. However, the timing and achievability of these improvements is uncertain, and will partly depend on choices made by brand owners, outside of Restaurant Brands.

We consider there is a real risk around the California operations not being quickly improved and incurring losses over an extended period. In addition, it is difficult for Restaurant Brands to simply walk away from the stores, given the long-term lease obligations and negative impact this would have on its relationship with Yum!.

The Taco Bell stores in Australia are in a similar but different position to the KFC stores in California. Restaurant Brands only has 12 Taco Bell stores in Australia, which makes the impact of poor performance less material, and if performance is not improved then it would be easier to exit a smaller number of stores. For example, we refer to Collins Foods recently announcing an exit from the brand in Australia.

7.2 Standalone valuation of Restaurant Brands

We assess the full underlying equity value of Restaurant Brands at between \$5.24 and \$6.20 per RBD Share.

The Offer price of \$5.05 per RBD Share is below our valuation range.

Our assessment is based on separate assessments of the value of Restaurant Brands in each geographic location, as well as corporate overheads that are required to operate the business. Our valuation is primarily based on DCF analysis. We have crosschecked our valuation using earnings multiples.

Our valuation range was determined on 21 October 2025 and we considered events that occurred up to this date when valuing Restaurant Brands.

Our valuation is for 100% of Restaurant Brands. Our valuation takes account of cost savings available to an owner of the whole of Restaurant Brands. However, our valuation does not take specific account of any other further synergies that might be available to a purchaser.

The value we assess exceeds the price at which, based on current market conditions, we would expect RBD Shares to trade in the absence of a takeover offer or equivalent transaction. As such, the Offer may represent a reasonably good liquidity event for shareholders wishing to exit their investment in Restaurant Brands.

Our valuation of Restaurant Brands is set out in greater detail at Section 6 of this Report.



7.3 Potential outcomes of the Offer

There are two main outcomes for shareholders from the Offer:

- **Finaccess receives sufficient acceptances to control at least 90% of the RBD Shares**

If Finaccess receives sufficient acceptances to hold or control at least 90% of the RBD Shares, then Finaccess will have the ability to compulsorily acquire the remaining RBD Shares it does not already control, and it has stated it intends to do so.

All shareholders who accept the Offer would receive cash of \$5.05 per share they own.

In the event of a compulsory acquisition, the remaining shareholders would receive the same consideration as those who accepted the Offer.

- **Finaccess does not receive acceptances to control 90% of the RBD Shares**

Finaccess will increase its interest in Restaurant Brands as a result of the Offer. However, it might not reach sufficient acceptances to hold or control 90% of the RBD Shares.

As at 23 October 2025, around when this report was finalised, Finaccess already had acceptances that mean it will hold at least 86.96% of the RBD Shares once the Offer completes.

All shareholders who accept the Offer will receive \$5.05 per RBD Share they own.

Shareholders who reject the Offer would retain their RBD Shares.

Restaurant Brands would remain a listed company.

The Offer represents a 70.6% premium to the closing share price on 29 September 2025, and a 79.1% premium to the 30-day VWAP prior to the Offer. All else being equal, we consider the listed price for RBD Shares would likely recede from current levels in this scenario – at least in the short term.

The Companies Act, Takeovers Code, NZX Listing Rules and Independent Directors on Restaurant Brands' Board would provide some level of protection to minority shareholders – to the same extent as before the Offer. This includes Finaccess being prohibited from voting on any ordinary resolution to approve an increase of its shareholding in Restaurant Brands, or voting on any 'Material Transaction' that is related to Finaccess (as a related party of Restaurant Brands). Material Transaction is defined in the NZX Listing Rules and includes, but is not limited to, certain transactions that have a value greater than 10% of average market capitalisation.

After 12 months from the closing of the Offer, Finaccess would also be entitled to acquire an additional 5% shareholding in Restaurant Brands, per annum, under the 'creep' provisions of the Takeovers Code.

7.4 Likelihood of an increase to the proposed consideration

Finaccess has committed to not increasing the Offer consideration.

7.5 Prospect of alternative takeover offers during Offer period

Even before the Offer, Finaccess had control of more than 75% of the RBD Shares. While Finaccess controls such a shareholding, any takeover offer (or other change of control transaction, such as a scheme of arrangement) would need the support of Finaccess to succeed. This does not change as a result of the Offer.

We therefore consider it very unlikely that an alternative offer would be made for Restaurant Brands during the Offer period.



There is no need for Restaurant Brands shareholders to accept the Offer early and shareholders do not need to do anything in relation to the Offer until close to its closing date. However, as the Offer is unconditional, shareholders will receive their consideration earlier if they accept the Offer sooner.

7.6 Follow-on offers

Should Finaccess achieve a shareholding of less than 90%, then:

- There is potential for a follow-on takeover offer by Finaccess (or an associate), provided that no such offer could be made before 1 October 2027.
- The Takeovers Code allows serial offers without timing or pricing restrictions. However, as noted above, Finaccess has committed to not making a further offer for at least 24 months.
- Finaccess would be free to offer more or less than the current Offer price of NZ\$5.05 per RBD Share.
- There is no certainty that any follow-on takeover offers would eventuate.

On balance, we consider a further takeover offer (or equivalent scheme of arrangement) by Finaccess (or an associate) is reasonably likely at some future point in time. The price of any such offer would likely depend on the performance of Restaurant Brands at that time, for better or worse.

7.7 Prospect of an investor acquiring a strategic shareholding of less than 20%

It is possible that an investor could acquire a strategic shareholding of greater than 10%, which could be considered a blocking stake because it would prevent Finaccess from achieving the 90% shareholding necessary to compulsorily acquire Restaurant Brands under the Takeovers Code. It is possible that any acquisition of a strategic shareholding could be made at a premium to the Offer price. There is no certainty that any party will acquire a strategic shareholding, and we consider the probability of this occurring is low.

7.8 Tax

Taxation consequences will vary widely across shareholders, and the proposed consideration may vary between shareholders given their respective tax positions. Shareholders will need to consider these consequences and, if appropriate, consult their own professional advisers.



Appendix 1: Sources of information

Documents relied upon

Key information sources we have used and relied on, without independent verification, in preparing this Report include the following:

- Restaurant Brands annual reports
- Restaurant Brands interim reports
- Restaurant Brands management accounts
- Restaurant Brands FY25 Annual operating plan
- Restaurant Brands 5-year plan
- IBISWorld
- QSR Magazine
- S&P Capital IQ
- Reserve Bank of New Zealand
- Reserve Bank of Australia
- New Zealand Treasury
- Trading Economics
- Bureau of Labor Statistics
- Employment New Zealand
- State of Hawaii Wage Standards Division
- Broker reports
- NZX announcements
- Other publicly available information

We have also had discussions with Restaurant Brands' management team in relation to the nature of its business operations and the known risks and opportunities for the Company in the foreseeable future.

Reliance upon information

In forming our opinion, we have relied upon and assumed, without independent verification, the accuracy and completeness of all information that was available from public sources and all information that was furnished to us by Restaurant Brands and its advisers. We have no reason to believe any material facts have been withheld.

We have evaluated that information through analysis, enquiry and examination for the purposes of forming our opinion, but we have not verified the accuracy or completeness of any such information. We have not carried out any form of due diligence or audit on the accounting or other records of Restaurant Brands. We do not warrant that our enquiries would reveal any matter that an audit, due diligence review or extensive examination might disclose.



Appendix 2: Qualifications and declarations

Qualifications

Calibre Partners is an independent New Zealand Chartered Accounting practice. The firm has established its reputation nationally through the provision of professional financial consultancy services with a corporate advisory and insolvency emphasis, and because we have no audit or tax divisions, we avoid potential conflicts of interest that may otherwise arise. This allows Calibre Partners to regularly act as an independent adviser and prepare independent reports.

The persons responsible for preparing and issuing this Report are Shaun Hayward (BCom, BProp, CFA), Grant Graham (BCom, CA), and Gillian Andrews (BCom, CA, CFA). All have significant experience in providing corporate finance advice on mergers, acquisitions and divestments, advising on the value of shares and undertaking financial investigations.

Disclaimers

This Report should not be used or relied upon for any purpose other than as an expression of Calibre Partners' opinion as to merits of the proposed transaction. Calibre Partners expressly disclaims any liability to any Restaurant Brands securityholder that relies, or purports to rely, on this Report for any other purpose and to any other party who relies, or purports to rely, on the Report for any purpose.

This Report has been prepared by Calibre Partners with care and diligence, and the statements and opinions given by Calibre Partners in this Report are given in good faith and in the belief, on reasonable grounds, that such statements and opinions are correct and not misleading. However, no responsibility is accepted by Calibre Partners or any of its officers or employees for errors or omissions however arising (including as a result of negligence) in the preparation of the Report, provided that this shall not absolve Calibre Partners from liability arising from an opinion expressed recklessly or in bad faith.

Indemnity

Restaurant Brands has agreed that, to the extent permitted by law, it will indemnify Calibre Partners and its partners, employees and officers in respect of any liability suffered or incurred as a result of, or in connection with, the preparation of the Report. This indemnity does not apply in respect of any negligence, misconduct or breach of law. Restaurant Brands has also agreed to indemnify Calibre Partners and its partners, employees and officers for time incurred and any costs in relation to any inquiry or proceeding initiated by any person, except where Calibre Partners or its partners, employees and officers are guilty of negligence, misconduct or breach of law, in which case Calibre Partners shall reimburse such costs.

Independence

Calibre Partners and the persons responsible for the preparation of this Report do not have at the date of this Report, and have not had, any shareholding in, or other relationship, or conflict of interest with Restaurant Brands that could affect their ability to provide an unbiased opinion in relation to this transaction. Calibre Partners will receive a fee for the preparation of this Report. This fee is not contingent on the success or implementation of the proposed transaction or any transaction complementary to it. Calibre Partners and the persons responsible for the preparation of this Report have no direct or indirect pecuniary interest or other interest in this transaction. We note for completeness that a draft of this Report was provided to Restaurant Brands and its advisers, solely for the purpose of verifying the factual matters contained in this Report. While minor changes were made to the drafting, no material alteration to any part of the substance of this Report, including the methodology or conclusions, were made as a result of issuing the draft.

Consent

Calibre Partners consents to the issuing of the Report, in the form and context in which it is included, in the information to be sent to Restaurant Brands' shareholders. Neither the whole nor any part of the Report, nor any reference thereto, may be included in any other document without the prior written consent of Calibre Partners as to the form and context in which it appears.



Appendix 3: Valuation methods

There are a wide range of approaches and methods used for valuing businesses. Different approaches and methods tend to be appropriate in different circumstances. The approaches and methods most commonly used tend to be:

- Discounted cash flow (DCF) method
- Market approach
- Cost based approach.

Discounted cash flow

The DCF method is an 'income approach' to valuation. Using the DCF method, value is estimated by converting projected future cash flows to a single present value.

The DCF method requires estimates of future cash flows to perform. Considerable judgement is often needed to estimate the cash flows, and a valuer will typically place significant reliance on medium to long term projections prepared by management. The financial projections of many businesses are very sensitive to changes in underlying assumptions. As such, DCF valuations are better suited to situations where a reasonable set of financial forecasts can be estimated.

When applied to a business valuation, the DCF method will usually be quite sensitive to the discount rate applied to the subject business, with the discount rate often being difficult to estimate.

The DCF methodology tends to be suited to situations where a reasonable set of financial forecasts can be estimated, and the business's current earnings are not representative of its underlying value, due to it being in a period of substantial growth, requiring substantial capital investment to achieve its projections, or there being identifiable factors that will impact on the businesses longer term performance.

Market approach

The market approach is effectively a benchmarking exercise. Value is estimate by comparing the business with identical or similar businesses, for which price information is available.

In a business valuation context, the 'capitalisation of earnings' method is the most common market approach. Using the capitalisation of earnings, the value of the business is estimated based on an assessment of the maintainable earnings of the business and an earnings multiple. The earnings multiple is estimated based on multiples implied by the price at which other businesses are observed to transact.

The market approach can also include benchmarking the subject business based on other units of comparison (other than earnings), including revenue multiples and book value multiples. Many industries also have particular units of comparison that are commonly used to compare different companies within the industry.

This methodology tends suit to situations where a meaningful comparison can be made between the subject business and benchmarks. The greater the difference between the subject and the benchmarks the less meaningful the comparison. Meaningful comparisons can be made more difficult due when the subject and the benchmark being differently sized, subject to different regulatory and market conditions, located in different markets, having different profitability characteristics, or different growth prospects.

Cost based approach

A cost-based approach includes valuation methods that focus on the cost to replace; cost to reproduce; and the summation method, in which the value of a business is determined based on its holdings.

A cost-based approach tends to be suited to situations where the subject business is not going concerns or has low levels of profitability, or businesses where their value of the whole is primarily a factor of the values of their holdings (for example property holding companies).

Appendix 4: Discount rates

We have determined the discount rate that we apply to Restaurant Brands based on an assessment of its post-tax, nominal weighted average cost of capital (WACC).

It is a commonly accepted practice to determine WACC using the following formula:

$$WACC = R_d(1 - T_c) \frac{D}{D + E} + R_e \frac{E}{D + E}$$

Where:

E = the market value of equity capital

D = the market value of debt capital

R_d = the required rate of return on debt capital (cost of debt)

R_e = the required rate of return on equity capital (cost of equity)

T_c = the statutory corporate tax rate

Leverage and cost of debt

We have adopted a target gearing of 15% to 25%.

As at 30 June 2025, Restaurant Brands had various debt facilities that allow it to borrow at margins ranging from 2.2% to 2.9% above the 90-day Bank Bill rate, varying by jurisdiction.

Capital Asset Pricing Model

The Capital Asset Pricing Model (CAPM) is typically used to determine a cost of equity.

It is common practice in New Zealand to use a version of CAPM that has been modified to recognise the New Zealand tax regime and its favourable tax treatment of equity returns. The specification most commonly adopted is the Simplified Brennan-Lally CAPM. This model is applicable to post-corporate tax, but pre-investor tax cash flows. It uses the following formula:

$$R_e = R_f(1 - T_i) + \beta_e[R_m - R_f(1 - T_i)] + SCRP$$

Where:

T_i = investors' effective tax rate on interest, dividends and capital gains

R_f = the risk-free rate of return

β_e = the equity beta for the entity being valued

R_m = the expected return on the market portfolio

SCRP = Specific company risk premium

The terms $[R_m - R_f(1 - T_i)]$ are generally grouped into a single tax-adjusted market risk premium (TAMRP).

For Restaurant Brand's Australian operations, we have adopted the Sharpe Lintner specification of the CAPM.

It uses the following formula:

$$R_e = R_f + \beta_e[R_m - R_f] + SCRP$$

Where:

R_f = the risk-free rate of return

β_e = the equity beta for the entity being valued

R_m = the expected return on the market portfolio

SCRIP = Specific company risk premium

For the Hawaiian and Californian operations we have used the Classical CAPM model which uses the same formula as described for the Sharpe Lintner model above.

Investors' effective tax rate (T_i)

For the purpose of the New Zealand cost of equity, we have adopted an effective investors' tax rate on interest, dividends and capital gains of 28%. This is the rate commonly used by valuers in New Zealand.

Risk-free rate (R_f)

We have adopted a risk-free rate of between 4.70% and 5.04% to value each of the regions. Table 15 shows the risk-free rate used for each region.

Table 15: Risk-free rate

Region	Risk-free rate	Basis
New Zealand	5.04%	20 Year New Zealand Government Bond yield
Australia	4.92%	20 Year Australia Government Bond yield
Hawaii	4.70%	20 Year US Treasury Bond yield
California	4.70%	20 Year US Treasury Bond yield

We note the 20-year New Zealand bond yield is similar to the New Zealand Treasury's long-term risk-free rate estimate.

Equity beta (β_e)

An equity beta is a measure of an investment's volatility. The beta of the market portfolio is 1.0. A beta above 1.0 indicates that an investment is more volatile than the market and has higher systematic (market-related) risk. A beta below 1.0 indicates that an investment has a lower level of systematic risk. An equity beta factors in the leveraging effect of debt in a company's capital structure.

To determine an asset beta for Restaurant Brands, we have considered the asset betas of comparable listed companies. Table A4.1 summarises our analysis.

Table A4.1: Asset betas

	Country	Asset beta 5-year-monthly
Collins Foods	Australia	0.46
Alsea, S.A.B de C.V.	Mexico	0.88
AmRest Holdings	Spain	1.17
Ibersol, S.G.P.S	Portugal	0.78
Sphera Franchise Group	Romania	0.46
Tab Gida Sanayi ve Ticaret	Turkey	1.04
Arcos Dorados Holdings	Uruguay	0.65
Min		0.46
Max		1.17
Average		0.78
Median		0.78

Source: S&P Capital IQ and Calibre Partners analysis

We adopt an asset beta in the range of 0.8 to 0.85 for the purpose of valuing Restaurant Brands. This is based on the above data set, acknowledging there is a broad range in asset betas observed for the comparable company data set. In concluding on our asset beta range, we placed less reliance on the outliers.

Market risk premium

A market risk premium is the excess expected return on the market portfolio of risky equity assets (share market returns) over the return on risk-free assets (government bond returns).

New Zealand

A TAMRP is used in the Brennan-Lally CAPM, which is the market risk premium adjusted for tax considerations. We have determined an appropriate TAMRP of 7.5% after considering:

- Valuation professionals typically use a TAMRP between 7.0% and 8.0% when valuing New Zealand companies. The midpoint of 7.5% is the most widely adopted TAMRP when valuing New Zealand companies today.
- The New Zealand Treasury's guidance on discount rates suggests a market risk premium of around 7.0% is appropriate.

Discount rate adopted

Based on the assumptions described and applying the Simplified Brennan-Lally model, we calculate a WACC range for each of the geographic segments as follows:

	New Zealand		Australia		Hawaii		California	
	Low	High	Low	High	Low	High	Low	High
Risk free rate	5.0%	5.0%	4.9%	4.9%	4.7%	4.7%	4.7%	4.7%
Equity beta	0.9	1.1	0.9	1.0	0.9	1.0	0.9	1.0
TAMRP / MRP	7.25%	7.75%	6.25%	6.75%	5.25%	5.75%	5.25%	5.75%
WACC	9.6%	11.0%	9.7%	10.6%	8.8%	9.6%	8.7%	9.6%

Appendix 5: Glossary of key terms

Term	Definition
ASX	Australian Securities Exchange
CAPM	Capital Asset Pricing Model
CAGR	Compound Annual Growth Rate
CKE	CKE Restaurants Holdings, Inc.
Code	New Zealand Takeovers Code
Companies Act	Companies Act 1993
CPI	Consumer Price Index
DCF	Discounted cash flow
EBITDA	Earnings before interest, tax, depreciation, and amortisation
Finaccess	Finaccess Restauración, S.L.
Forecasts	Five year financial forecasts prepared by Restaurant Brands
FY	Financial year ended 31 December
FY25 Forecast	Financial forecast prepared by Restaurant Brands management for FY25
Grupo Finaccess	Grupo Finaccess S.A.P.I. de C.V.
HY	Half year ended 30 June
IFRS	International Financial Reporting Standard
LSR	Limited Service Restaurant
\$	New Zealand Dollars, unless specified otherwise
NZX	New Zealand Stock Exchange or NZX Limited
Panel	New Zealand Takeovers Panel
QSR	Quick Service Restaurant
PPE	Property, plant and equipment
RBA	Reserve Bank of Australia
RBD Shares	Fully paid ordinary shares in Restaurant Brands
Restaurant Brands	Restaurant Brands New Zealand Limited
Report	Independent Adviser's Report, in relation to the takeover offer
Store EBITDA	Store EBITDA is pre-General and Administrative expenses and pre IFRS 16 and excludes other income and expenses that are not directly attributable to the stores.
TAMRP	Tax-adjusted market risk premium
Yum!	Yum! Brands Incorporated
WACC	Weighted average cost of capital