Restaurant Brands New Zealand Limited

Interim Report 2022

For the six months ended 30 June 2022

The aftershocks from COVID-19 – characterised by high inflation and on-going staff shortages – continue to impact businesses around the world.

We are not immune. But as we navigate these headwinds we can draw confidence from the resilience of our multi-brand, multi-format, multi-geography business model. Our business is solid. And together with the best team of people in the industry, we're well equipped to mitigate the new challenges of our times.


Finger lickin' good
ALL WAYS

ON THE MENU

About Restaurant Brands:

Restaurant Brands New Zealand Limited operates the KFC, Pizza Hut, Taco Bell and Carl's Jr. brands in New Zealand, the KFC and Taco Bell brands in Australia, the KFC and Taco Bell brands in California, and the Taco Bell and Pizza Hut brands in Hawaii and Guam. These brands - four of the world's most famous - are distinguished for their product, look, style, ambience and service and for the total experience they deliver to their customers around the world.

KEY HIGHLIGHTS

$584.9m **TOTAL GROUP SALES** 1H 2022

$15.3m **NET PROFIT AFTER TAX** 1H 2022

$84.3m **EBITDA** 1H 2022

Total Group sales for the six months to 30 June 2022 (1H 2022) were $584.9 million, up $44.3 million on the previous half year (1H 2021). Total sales growth was assisted by the inclusion of 17 additional stores and a stronger US dollar.

Net Profit after Tax for 1H 2022 was $15.3 million (12.25 cents per share), down $19.2 million on 1H 2021. Worldwide inflationary pressures resulted in significant cost increases across all regions. Also, the prior period result included recognition of $11.4 million of loan forgiveness under the US Paycheck Protection Program (PPP).

Brand EBITDA before G&A was down $3.7 million to $84.3 million. This is a reflection of the significant inflationary pressures facing the company in all markets. This was partially offset by the strong sales and, in particular, a very good overall result for the Hawaii division.

AFTER 25 YEARS, WE'VE EARNED OUR WINGS

GROUP OPERATING RESULTS

	1H 2022 $NZm	1H 2021 $NZm	Change $NZm	Change (%)
Total Group sales	**584.9**	540.6	+44.3	+8.2
Group NPAT (reported)	**15.3**	34.5	-19.2	-55.7

Restaurant Brands New Zealand Limited (**RBD**) has earned a Group Net Profit after Tax (NPAT) of $15.3 million for the six months ended 30 June 2022 (1H 2022). This is down $19.2 million on the last half year's reported result. The company continues to face cost inflation pressures across all markets but is mitigating the impact of these by implementing cost savings and taking price increases where possible. However the extent of cost inflation has meant that the opportunity to pass input costs on in the short term has been limited, with consequent short term adverse profit impacts.

RBD continues to face challenges from COVID-19 with resultant staff shortages hampering operations across all divisions and in some cases forcing reduced operating hours during the period.

Comparisons at a reported profit level are distorted by the recognition of $11.4 million ($US8.1 million) relating to the PPP loan which was forgiven during 1H 2021. After adjusting for the PPP loan, the underlying NPAT for 1H 2021 would be $23.1 million. This underlying decrease for 1H 2022 of $7.8 million reflects the effect of inflation as well as continued trading disruptions relating to COVID-19.

Total store sales hit a new high of $584.9 million, up $44.3 million or 8.2% on 1H 2021. Sales across all regions were up on 1H 2021 due to 17 additional stores and the strengthened US dollar.

Combined brand EBITDA at $84.3 million was down $3.7 million (4.2%) on 1H 2021, with the impact of cost inflation pressures only being partially offset by strong sales growth over the current period.

Restaurant Brands' store numbers now total 367, up 17 from 1H 2021. This is primarily driven by new store builds, including 11 new Taco Bell stores across NZ and Australia. There are now 138 RBD-owned stores in New Zealand, 81 stores in Australia, 74 in Hawaii, and 74 in California.

NEW ZEALAND OPERATIONS

New Zealand store sales were $251.8 million, up $12.5 million or 5.2% on 1H 2021. KFC sales remain strong and Taco Bell sales have grown $6.9 million from 1H 2021. Whilst down from historic highs of 1H 2021, same store sales were up 1.4% for 1H 2022, despite the adverse impact of COVID-19 related staff shortages which required many stores to reduce operating hours and/or operate with reduced capacity. The second quarter of 1H 2022 saw same store sales increase by 3.2%.

EBITDA was $40.6 million, a $2.5 million or 5.7% decrease on 1H 2021 reflecting significant cost pressures, partially offset by the strong store sales performance. EBITDA margin at 16.1% was down on prior year reflecting the effect of the cost pressures and the mix of less profitable Taco Bell brand sales as this business continues to build.

	1H 2022 $NZm	1H 2021 $NZm	Change $NZm	Change (%)
Sales	**251.8**	239.3	+12.5	+5.2
Store EBITDA	**40.6**	43.1	-2.5	-5.7
EBITDA as a % of sales	***16.1***	*18.0*		
Store numbers	**138**	132		

1H 2022 saw the successful introduction of a number of new products into the market, with Hot & Crispy Boneless Chicken (KFC) and Detroit Pizza (Pizza Hut) delivering sales growth. Carl's Jr. continues to perform well. An e-commerce web site has been launched for Taco Bell as the focus on building a digital offering and improving delivery service continues.

The Pizza Hut business in New Zealand continues to grow strongly, not only from RBD's own stores, but also from the 101 stores operated by independent franchisees under a Master Franchise Agreement with the company. Two new stores were opened in the first half with a similar number anticipated by the end of the year.

Operating profit for the NZ division (excluding the effect of NZ IFRS 16) was $22.7 million (down 20.8%). Inflation has had a significant impact on ingredient and input costs and continues to do so. In addition, labour shortages relating to the COVID-19 pandemic have significantly impacted the hospitality industry in New Zealand. This has disrupted the ability to operate at full trading hours across all stores and channels. The situation was particularly challenging during the first quarter of 2022 and, despite improvement during the second quarter, staff shortages remain an ongoing issue with high numbers of unfilled vacancies.

Whilst restricted availability of building materials and store equipment have slowed store development, new store builds continued with one KFC outlet in Whangarei and one Taco Bell outlet at Cuba Mall, Wellington opened during 1H 2022. Despite continued development challenges an additional three Taco Bell stores and two KFC stores are expected to open before the end of the year.

AUSTRALIA OPERATIONS

In $A terms total sales in Australia were $A122.8 million, up $A8.0 million (or 7.0%) on last year, primarily due to the full effect of five additional KFC stores purchased during 1H 2021, the effect of additional store openings, and solid same store sales growth (up 3.4% for the half year).

In $NZ terms the Australian business contributed total sales of $NZ133.5 million (up 8.5%), a store EBITDA of $NZ14.2 million (down 13.3%) and operating profit (excluding the effect of NZ IFRS 16) of $NZ1.4 million (down 74.5%).

	1H 2022 $Am	1H 2021 $Am	Change $Am	Change (%)
Sales	**122.8**	114.8	+8.0	+7.0
Store EBITDA	**13.0**	15.2	-2.2	-14.5
EBITDA as a % of sales	***10.6***	*13.3*		
Store numbers	**81**	76		

Sales results in the second quarter have continued to see year on year improvement, with strongest recovery in both the CBD and mall stores. These had experienced the greatest adverse impact from COVID-19 in 2020 and 2021. The launch of Uber Eats delivery service throughout the KFC network in June is expected to contribute to further sales growth into 2H 2022.

Store EBITDA margins of $A13.0 million (10.6% of sales) were down $A2.2 million or 14.5% on last year. The Australian business was negatively impacted during the early stages of the year with the escalation of COVID-19 cases impacting both restaurant staff availability and all major chicken suppliers. This contributed to reduced operating hours and store closures due to lack of staff availability and temporary chicken supply shortages.

The business continues to experience major cost pressures with escalating inflation levels driven by ongoing supply chain disruptions and increased freight and other input costs. The floods in northern and some western parts of New South Wales resulted in the temporary closure of a number of stores and have significantly impacted the agricultural sector further impacting supply availability.

The Australian business has continued to invest in the growth of Taco Bell, with the opening of two new stores in 1H 2022.

HAWAII OPERATIONS

Total sales in Hawaii for the period were $US76.0 million with store level EBITDA of $US13.7 million (18.0% of sales).

In $NZ terms the Hawaiian operations contributed $NZ115.1 million in revenues, $NZ20.8 million in EBITDA and an operating profit (excluding the effect of NZ IFRS 16) of $NZ11.2 million for the period, down $8.2 million on 1H 2021.

However the 1H 2021 result included other revenue of $NZ11.4 million ($US8.1 million) in relation to the PPP loan drawn down at the onset of the COVID-19 pandemic in 2020, which was forgiven in June 2021. When normalised for the PPP loan forgiveness, operating profit (excluding the effect of NZ IFRS 16) for 1H 2022 was $NZ3.3 million up on 1H 2021.

	1H 2022 $USm	1H 2021 $USm	Change $USm	Change (%)
Sales	**76.0**	72.7	+3.3	+4.5
Store EBITDA	**13.7**	11.6	+2.1	+17.6
EBITDA as a % of sales	***18.0***	*15.8*		
Store numbers	**74**	73		

Reported sales are up $US3.3 million with same store sales up 2.9%. Taco Bell sales increased significantly over 1H 2021 as the brand returned to pre-COVID-19 trading levels.

The Taco Bell Mexican Pizza was so successful that ingredients ran out across the US and required the promotion to finish ahead of schedule. It will be repeated during 2H 2022 and is expected to again drive strong sales for Taco Bell. Pizza Hut is also looking to roll out a new “Melts” product range which is expected to have a positive impact on the lunch time sales segment.

EBITDA margin as a % of sales is up from 15.8% to 18.0% (largely as a result of increased levels of Taco Bell sales in the overall sales mix). Store staffing challenges arising from COVID-19 continue to impact the business with stores having to operate reduced trading hours on some occasions. The division also continues to face significant cost pressures, including a further increase in the minimum wage to take effect from October 2022.

Overall store numbers in Hawaii are up by one from 1H 2021 with the opening of one new Taco Bell store in April 2022 which is performing above expectations. A further Taco Bell store is expected to open in January 2023.

CALIFORNIA OPERATIONS

Total sales in California were $US55.8million, up $US0.6m on last year off the back of three new store openings and the acquisition of three additional KFC stores, offset by a same store sales decrease of 3.0%.

In $NZ terms the Californian operations contributed $NZ84.5 million in revenues, $NZ8.8 million in EBITDA and an operating profit (excluding the effect of NZ IFRS 16) of $NZ0.4 million for the period.

	1H 2022 $USm	1H 2021 $USm	Change $USm	Change (%)
Sales	**55.8**	55.2	+0.6	+1.0
Store EBITDA	**5.8**	9.1	-3.3	-36.3
EBITDA as a % of sales	***10.4***	*16.5*		
Store numbers	**74**	69		

The division rolled over high sales in 2021, driven by strong Government stimulus payments. Consequently same store sales fell by 3.0%. A steep rise in the cost of ingredients has affected the business and price increases have been implemented in response. However, as with all divisions, these need to be balanced against competitive pressures and the contraction of consumer purchasing power. Additionally, the cost of labour increased during 1H 2022 with staff shortages and increased overtime as teams stretched to cover COVID-19 related absences.

As a result, store EBITDA of $US5.8 million was down $US3.3 million on last year with EBITDA as % of sales of 10.4% vs 16.5% in 2021.

California store numbers grew by five through new builds and acquisition to 74 total stores, up from 69 stores in 1H 2021. Three new KFC stores were opened in 2022 over the span of six weeks in San Bernardino, Perris and Barstow. The opening day at KFC Barstow was one of the largest opening days for a KFC outlet in the United States. Perris and Barstow were among the first innovative 'Next Generation' KFC stores to open in the US market. The three new stores mark the first new store openings for the California division post-acquisition with more new stores scheduled to open later this year. One acquisition was completed in Desert Hot Springs consolidating our strong presence in the greater Palm Springs area.

CORPORATE & OTHER

General and administration (G&A) costs were $27.5 million, an increase of $3.1 million on 1H 2021. G&A as a % of total revenue was 4.5%, slightly up on 1H 2021 (4.3%). As with much of the business, this was primarily driven by cost inflation over the period along with the filling of vacancies that had remained open during the COVID-19 pandemic.

Depreciation charges of $21.5 million for 1H 2022 were $2.8 million higher than the prior year. The increase is due to the continued high level of new store builds and store refurbishments. Depreciation of leased assets is also up $1.2 million to $19.9 million with new leases increasing the associated right of use asset depreciation.

Financing costs of $19.8 million were up $2.2 million on prior year primarily due to an increase in lease interest of $1.8 million due to both new leases and existing leases being extended. Bank interest costs were $3.7 million, $0.3 million higher than prior year due to increased debt levels.

Tax expense was $5.3 million, down $4.2 million due to the lower earnings. The effective tax rate is 25.6%, up from 21.5% last year due to the higher relative level of assessable income in the Hawaii division.

OTHER INCOME / EXPENSES

Other income / expenses for the half year totalled $2.7 million, an increase of $1.7 million versus 1H 2021. This year's costs included the initial one-off costs associated with the implementation of new company-wide financial systems ($3.4 million), partially offset by an acquisition gain of $0.9 million. This gain is as a result of the net assets included in the acquisition of a California store being higher than the net consideration paid.

NZ IFRS 16

The impact of NZ IFRS 16 on the Group accounts for the half year is a reduction of $4.8 million on after-tax operating earnings (1H 2021 impact: $4.5 million).

The Consolidated Statement of Financial Position has right of use lease assets of $623.8 million, up $47.3 million since December 2021 due to the inclusion of the newly acquired store in California, various other new stores being opened and lease renewals. Lease liabilities of $725.2 million are also up by $56.5 million reflecting the increase in future lease commitments.

STATEMENTS OF CASH FLOW AND FINANCIAL POSITION

Bank debt at the end of the half year was $290.6 million compared to $246.9 million at the previous year end. As at 30 June 2022, the Group had bank debt facilities totalling $NZ381.8 million available. Cash and cash equivalents decreased by $12.0 million during the period with net debt increasing by $55.7 million to $257.5 million over the half year. This is due to continued commitment to a strong capital investment programme and the payment of a $39.9 million dividend.

The company remains comfortably within all banking covenants with a Net Debt:EBITDA ratio of 2.1:1.

Operating cash flows were $48.4 million, down $14.0 million on 1H 2021. This is a direct reflection of the inflationary impact on trading margins combined with $2.0 million additional interest paid versus the prior half year.

Net investing cash outflows at $34.0 million, were $19.2 million lower than the $53.2 million in 1H 2021. Included in 1H 2021 was the acquisition of stores in Australia for $25.3 million. The underlying spend on new stores as well as refurbishing stores throughout the network was up by $6.1 million.

A dividend of $39.9 million (32 cents per share) was paid to shareholders in April.

OUTLOOK

Store numbers are expected to grow in the second half despite continued building constraints. New store roll outs for both the KFC and Taco Bell brands will continue in New Zealand and Australia. The Hawaiian market will see another new Taco Bell completed in early 2023. The new store development programme is well under way in California, with up to three new KFC stores targeted for opening before year end.

The overall business continues to remain solid across all geographic markets as reflected in the strong sales performance, which is expected to carry over into the second half of the year. Trading results in recent months have also improved due to various actions taken to lessen the inflationary effect on the business. The current results have been adversely affected by worldwide inflationary and COVID-19 pressures, the company continues work to mitigate their impact and improve profitability over 2H 2022. It is expected that cost inflation and margins will stabilise over the second half – however, it is not anticipated that the impact of a challenging 1H 2022 will be fully reversed by year end.

The continued impact of inflation as well as the rolling issues with COVID-19 makes it difficult to provide firm profit guidance; however the reported net profit after taxation for the 2022 year is expected to be in the range of $32-37 million.

Consolidated income statement

for the six months ended 30 June 2022

$NZ000's	30 June 2022 unaudited	vs Prior %	30 June 2021 unaudited
Sales			
New Zealand	251,816	5.2	239,274
Australia	133,473	8.5	123,027
Hawaii	115,139	14.0	101,024
California	84,462	9.2	77,316
Total sales	**584,890**	8.2	540,641
Other revenue	27,009	17.4	23,012
Total operating revenue	**611,899**	8.6	563,653
Cost of goods sold	(506,797)	(11.4)	(454,800)
Gross margin	**105,102**	(3.4)	108,853
Distribution expenses	(3,748)	10.6	(4,191)
Marketing expenses	(30,951)	(5.6)	(29,297)
General and administration expenses	(27,452)	(12.9)	(24,312)
Loan forgiven	–	n/a	11,407
Other income	850	(10.1)	945
Other expenses	(3,500)	(88.4)	(1,858)
Operating profit	**40,301**	(34.5)	61,547
Financing expenses	(19,762)	(12.3)	(17,601)
Net profit before taxation	**20,539**	(53.3)	43,946
Taxation expense	(5,258)	44.3	(9,440)
Total profit after taxation (NPAT)	**15,281**	(55.7)	34,506

Consolidated income statement (continued)

for the six months ended 30 June 2022

$NZ000's	30 June 2022 unaudited	% sales	vs Prior %	30 June 2021 unaudited	% sales
Concept EBITDA before G&A including Government grants					
New Zealand	**40,608**	*16.1*	*(5.7)*	43,050	*18.0*
Australia	**14,156**	*10.6*	*(13.3)*	16,322	*13.3*
Hawaii	**20,750**	*18.0*	*30.1*	15,950	*15.8*
California	**8,815**	*10.4*	*(30.8)*	12,746	*16.5*
Total concept EBITDA before G&A	**84,330**	*14.4*	*(4.2)*	88,068	*16.3*
Ratios					
Net tangible assets per security (net tangible assets divided by number of shares) in cents	**(13.5)**			(11.8)	

Cost of goods sold are direct costs of operating stores: food, paper, freight, labour and store overheads.

Distribution expenses are costs of distributing products from store.

Marketing expenses are order centre, advertising and local store marketing expenses.

General and administration expenses (G&A) are non-store related overheads.

Sales and concept EBITDA for each of the concepts may not aggregate to the total due to rounding.

Non-GAAP financial measures

for the six months ended 30 June 2022

The Group results are prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP") and comply with New Zealand International Financial Reporting Standards ("NZ IFRS"). These financial statements include non-NZ GAAP financial measures that are not prepared in accordance with NZ IFRS. The non-NZ GAAP financial measures used in this presentation are as follows:

1. **EBITDA including Government grants, G&A and other items**. The Group calculates Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") before G&A (general and administration expenses) and other items by taking net profit before taxation and adding back (or deducting) financing expenses, other items, depreciation, amortisation and G&A. The Group also refers to this measure as **Store EBITDA before G&A and other items**. This measure provides the results of the Group's core operating business and excludes those costs not directly attributable to stores. This is believed to be a useful measure to assist in the understanding of the financial performance of the Group.

   The term **Store** refers to the four New Zealand brands (KFC, Pizza Hut, Taco Bell and Carl's Jr.), the two Australia brands (KFC and Taco Bell), the two Hawaii brands (Taco Bell and Pizza Hut), and the two California brands (KFC and Taco Bell). The term **G&A** represents non-store related overheads.

2. **Total NPAT excluding the impact of NZ IFRS 16**. Total Net Profit After Taxation ("NPAT") excluding the impact of NZ IFRS 16 is calculated by taking profit after taxation attributable to shareholders and adding back (or deducting) lease items whilst also allowing for any tax impact of those items. This measure reflects the performance of the business, excluding costs associated with the adoption of NZ IFRS 16 and is considered a useful measure to assist with understanding the financial performance of the Group.

The Group believes that these non-NZ GAAP measures provide useful information to readers to assist in the understanding of the financial performance and position of the Group but that they should not be viewed in isolation, nor considered as a substitute for measures reported in accordance with IFRS. Non-NZ GAAP measures as reported by the Group may not be comparable to similarly titled amounts reported by other companies.

Non-GAAP financial measures (continued)

for the six months ended 30 June 2022

The following is a reconciliation between these non-NZ GAAP measures and net profit after taxation:

$NZ000's	Note*	30 June 2022 unaudited	30 June 2021 unaudited
EBITDA including Government grants, before G&A and other items	1	**85,401**	89,944
Depreciation		**(21,022)**	(17,618)
Net loss on sale of property, plant and equipment (included in depreciation)		**(526)**	(1,160)
Lease depreciation		**(19,943)**	(18,695)
Lease costs		**29,293**	26,265
Amortisation (included in cost of sales)		**(5,051)**	(4,459)
General and administration costs – area managers, general managers and support centre		**(25,201)**	(23,224)
Loan forgiven		**–**	11,407
Other items		**(2,650)**	(913)
Operating profit		**40,301**	61,547
Financing expenses		**(19,762)**	(17,601)
Net profit before taxation		**20,539**	43,946
Taxation expense		**(5,258)**	(9,440)
Net profit after taxation		**15,281**	34,506
Add back NZ IFRS 16 impact		**6,668**	6,184
Less taxation expense on NZ IFRS 16 impact		**(1,840)**	(1,724)
Total NPAT excluding the impact of NZ IFRS 16	2	**20,109**	38,966

* Refers to the list of non-NZ GAAP measures as listed above.

Consolidated statement of comprehensive income

for the six months ended 30 June 2022

$NZ000's	Note	30 June 2022 unaudited	30 June 2021 unaudited	31 December 2021 audited
Store sales revenue		**584,890**	540,641	1,068,246
Other revenue		**27,009**	23,012	46,195
Total operating revenue		**611,899**	563,653	1,114,441
Cost of goods sold		**(506,797)**	(454,800)	(912,359)
Gross profit		**105,102**	108,853	202,082
Distribution expenses		**(3,748)**	(4,191)	(8,555)
Marketing expenses		**(30,951)**	(29,297)	(55,841)
General and administration expenses		**(27,452)**	(24,312)	(49,974)
Government grants		**–**	–	7,165
Loan forgiveness	3	**–**	11,407	11,419
Other income	3	**850**	945	945
Other expenses	3	**(3,500)**	(1,858)	(5,164)
Operating profit		**40,301**	61,547	102,077
Finance expenses		**(19,762)**	(17,601)	(36,284)
Profit before taxation		**20,539**	43,946	65,793
Taxation expense		**(5,258)**	(9,440)	(13,912)
Profit after taxation attributable to shareholders		**15,281**	34,506	51,881
Other comprehensive income:				
Exchange differences on translating foreign operations		**15,845**	4,944	6,558
Derivative hedging reserve		**971**	898	1,820
Income tax relating to components of other comprehensive income		**(272)**	(186)	(370)
Other comprehensive income net of tax		**16,544**	5,656	8,008
Total comprehensive income attributable to shareholders		**31,825**	40,162	59,889
Basic and diluted earnings per share (cents)	4	**12.25**	27.66	41.58

For and on behalf of the Board:

José Parés
Chairman
29 August 2022

Emilio Fullaondo
Director
29 August 2022

Consolidated statement of changes in equity

for the six months ended 30 June 2022

$NZ000's	Share capital	Foreign currency translation reserve	Derivative hedging reserve	Retained earnings	Total
For the period ended 31 December 2021					
Balance at the beginning of the period	**154,565**	**(8,038)**	**(2,322)**	**85,643**	**229,848**
Comprehensive income					
Profit after taxation attributable to shareholders	–	–	–	34,506	34,506
Other comprehensive income					
Movement in foreign currency translation reserve	–	4,944	–	–	4,944
Movement in derivative hedging reserve	–	–	712	–	712
Total other comprehensive income	**–**	**4,944**	**712**	**–**	**5,656**
Total comprehensive income	**–**	**4,944**	**712**	**34,506**	**40,162**
Unaudited balance as at 30 June 2021	**154,565**	**(3,094)**	**(1,610)**	**120,149**	**270,010**
Comprehensive income					
Profit after taxation attributable to shareholders	–	–	–	17,375	17,375
Other comprehensive income					
Movement in foreign currency translation reserve	–	1,614	–	–	1,614
Movement in derivative hedging reserve	–	–	738	–	738
Total other comprehensive income	**–**	**1,614**	**738**	**–**	**2,352**
Total comprehensive income	**–**	**1,614**	**738**	**17,375**	**19,727**
Audited balance as at 31 December 2021	**154,565**	**(1,480)**	**(872)**	**137,524**	**289,737**

Consolidated statement of changes in equity (continued)

for the six months ended 30 June 2022

$NZ000's	Share capital	Foreign currency translation reserve	Derivative hedging reserve	Retained earnings	Total
For the six month period ended 30 June 2022					
Comprehensive income					
Profit after taxation attributable to shareholders	**–**	**–**	**–**	**15,281**	**15,281**
Other comprehensive income					
Movement in foreign currency translation reserve	–	15,845	–	–	15,845
Movement in derivative hedging reserve	–	–	699	–	699
Total other comprehensive income	**–**	**15,845**	**699**	**–**	**16,544**
Total comprehensive income	**–**	**15,845**	**699**	**15,281**	**31,825**
Transactions with owners					
Net dividends distributed	–	–	–	(39,923)	(39,923)
Total transactions with owners	**–**	**–**	**–**	**(39,923)**	**(39,923)**
Unaudited balance as at 30 June 2022	**154,565**	**14,365**	**(173)**	**112,882**	**281,639**

Consolidated statement of financial position

as at 30 June 2022

$NZ000's	Note	As at 30 June 2022 unaudited	As at 30 June 2021 unaudited	As at 31 December 2021 audited
Non-current assets				
Property, plant and equipment	5	**301,463**	242,931	276,748
Right of use assets	6	**623,834**	548,052	576,527
Sub-leases receivable		**927**	1,062	993
Other receivables		**–**	763	765
Intangible assets		**370,457**	345,785	348,216
Deferred tax asset		**43,070**	37,746	38,711
Land held for development	8	**7,084**	–	–
Total non-current assets		**1,346,835**	1,176,339	1,241,960
Current assets				
Inventories		**20,253**	16,811	22,261
Trade and other receivables		**17,720**	9,170	11,012
Income tax receivable		**9,142**	6,422	9,452
Cash and cash equivalents		**33,151**	27,155	45,155
Held for sale – assets for stores developed for sale	9	**–**	1,096	–
Total current assets		**80,266**	60,654	87,880
Total assets		**1,427,101**	1,236,993	1,329,840
Equity attributable to shareholders				
Share capital		**154,565**	154,565	154,565
Reserves		**14,192**	(4,704)	(2,352)
Retained earnings		**112,882**	120,149	137,524
Total equity attributable to shareholders		**281,639**	270,010	289,737
Non-current liabilities				
Provisions		**4,688**	4,086	4,479
Deferred income		**21**	212	173
Loans		**94,378**	222,252	246,887
Lease liabilities		**696,338**	609,011	643,072
Deferred tax liabilities		**586**	–	1,136
Derivative financial instruments		**–**	1,839	–
Total non-current liabilities		**796,011**	837,400	895,747
Current liabilities				
Loans		**196,239**	–	–
Income tax payable		**1,168**	3,854	5,280
Trade and other payables		**119,927**	96,997	110,476
Provisions		**1,306**	1,416	1,304
Lease liabilities		**28,889**	24,982	25,609
Deferred income		**1,822**	1,641	770
Derivative financial instruments		**100**	–	–
Held for sale – liabilities		**–**	–	917
Held for sale – liabilities for stores developed for sale	9	**–**	693	–
Total current liabilities		**349,451**	129,583	144,356
Total liabilities		**1,145,462**	967,011	1,040,103
Total equity and liabilities		**1,427,101**	1,236,993	1,329,840

Consolidated statement of cash flows

for the six months ended 30 June 2022

$NZ000's	Note	30 June 2022 unaudited	30 June 2021 unaudited	31 December 2021 audited
Cash flow from operating activities				
Cash was provided by/(applied to):				
Receipts from customers		**609,201**	564,221	1,114,474
Receipts from Government grants	3	**–**	–	7,165
Payments to suppliers and employees		**(528,054)**	(471,847)	(940,494)
Interest paid		**(3,665)**	(3,414)	(6,701)
Interest paid on leases		**(16,018)**	(14,241)	(29,450)
Payment of income tax		**(13,087)**	(12,353)	(18,619)
Net cash from operating activities		**48,377**	62,366	126,375
Cash flow from investing activities				
Cash was (applied to)/provided by:				
Acquisition of business		**(1,021)**	(25,277)	(27,992)
Payment for intangibles		**(1,198)**	(1,613)	(2,889)
Purchase of property, plant and equipment		**(31,984)**	(28,966)	(82,564)
Proceeds from the disposal of property, plant and equipment		**166**	2,649	2,620
Landlord contributions received		**–**	–	1,257
Net cash used in investing activities		**(34,037)**	(53,207)	(109,568)
Cash flow from financing activities				
Cash was provided by/(applied to):				
Proceeds from loans		**49,986**	178,081	370,529
Repayment of loans		**(24,663)**	(185,720)	(356,046)
Dividend paid to shareholders		**(39,923)**	–	–
Payment for lease principal		**(13,275)**	(12,024)	(24,543)
Net cash used in financing activities		**(27,875)**	(19,663)	(10,060)
Net (decrease) / increase in cash and cash equivalents		**(13,535)**	(10,504)	6,747
Cash and cash equivalents at beginning of the period		**45,155**	35,666	35,666
Opening cash balances acquired on acquisition		**–**	1,264	1,264
Foreign exchange movements		**1,531**	729	1,478
Cash and cash equivalents at the end of the period		**33,151**	27,155	45,155
Cash and cash equivalents comprise:				
Cash on hand		**679**	632	640
Cash at bank		**32,472**	26,523	44,515
		33,151	27,155	45,155

Consolidated statement of cash flows (continued)

for the six months ended 30 June 2022

Reconciliation of profit after taxation with net cash from operating activities:

$NZ000's	Note	30 June 2022 unaudited	30 June 2021 unaudited	31 December 2021 audited
Total profit after taxation attributable to shareholders		**15,281**	34,506	51,881
Add/(less) items classified as investing activities:				
Gain on acquisition		**(850)**	–	–
Loss on disposal of property, plant and equipment		**526**	371	2,673
		(324)	371	2,673
Add/(less) non-cash items:				
Depreciation		**40,965**	36,313	75,931
Loan forgiveness	3	**–**	(11,407)	(11,419)
Lease termination		**–**	(61)	(233)
(Decrease)/increase in provisions		**211**	(240)	(145)
Amortisation of intangible assets		**5,051**	4,461	9,231
Net decrease/(increase) in deferred tax asset		**(4,785)**	1,062	536
		41,442	30,128	73,901
Add/(less) movement in working capital:				
(Increase)/decrease in inventory		**2,264**	(101)	(5,526)
Decrease/(increase) in trade and other receivables		**(3,465)**	3,303	1,094
(Decrease)/increase in trade creditors and other payables		**(3,777)**	(2,055)	7,597
(Decrease)/increase in income tax payable		**(3,044)**	(3,786)	(5,245)
		(8,022)	(2,639)	(2,080)
Net cash from operating activities		**48,377**	62,366	126,375
Reconciliation of movement in term loans				
Opening balance		**246,887**	235,639	235,639
Net cash flow movement		**25,323**	(7,639)	14,483
Decrease/(increase) in prepaid facility costs		**114**	122	256
Loan forgiveness		**–**	(11,407)	(11,419)
Foreign exchange movement		**18,293**	5,537	7,928
Closing balance		**290,617**	222,252	246,887

Notes to and forming part of the consolidated financial statements

for the six months ended 30 June 2022

1. GENERAL INFORMATION

The reporting entity is the consolidated group (the "Group") comprising the parent entity Restaurant Brands New Zealand Limited (the "Company") and its subsidiaries. Restaurant Brands New Zealand is a limited liability company incorporated and domiciled in New Zealand. The principal activity of the Group is the operation of quick service and takeaway restaurant concepts in New Zealand, Australia, USA, Saipan and Guam.

The Company is listed on the New Zealand Stock Exchange ("NZX") and the Australian Securities Exchange ("ASX") and is an FMC reporting entity and subject to the Financial Markets Conduct Act 2013 legislative provisions. The Group is designated as a for-profit entity for financial reporting purposes.

Statutory base

The Company is registered under the Companies Act 1993 and is an FMC reporting entity under Part 7 of the Financial Markets conduct Act 2013.

Reporting framework

These financial statements for the six months ended 30 June 2022 have been prepared in accordance with NZ IAS 34, Interim Financial Reporting and should be read in conjunction with the financial statements published in the Annual Report year ended 31 December 2021. The accounting policies have been applied on a basis consistent with those used and described in the audited consolidated financial statements for the year ended 31 December 2021.

The unaudited interim financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP").

The Group has a negative working capital balance of $269.2 million due to loans that are maturing within the next 12 months being classified as current. Other than the debt becoming current, it is normal for the Group to be in a negative working capital position, as the nature of the business results in most sales being conducted on a cash basis. At 30 June 2022 the Group has bank facilities totalling $381.8 million including $90.8 million undrawn at balance date and therefore the Company has the ability to fully pay debts as they fall due. Of the $381.8 million facilities $257.5 million expires on 1 May 2023. The Group has begun the process of negotiating with the banks new facility agreements which are expected to be in place by 31 December 2022. There are no expected breaches of bank covenants.

Restatement of prior period balances

To ensure consistency and comparability with the current period and the last annual financial statements, comparative figures have been reclassified where appropriate. These changes are detailed below:

- The consolidated statement of financial position at 30 June 2021 included $0.8 million of prepaid facility fees in current trade and other receivables rather than non-current trade and other receivables. This has been corrected in the June 2021 comparative figures.
- The consolidated statement of financial position at 30 June 2021 excluded lease modifications of $7.0 million and lease additions of $3.2 million in error from both lease liabilities and right of use assets.

New standards and amendments

There are various standards, amendments and interpretations which were assessed as having an immaterial impact on the Group. There are no NZ IFRS, NZ IFRIC interpretations or other applicable IFRS that are effective for the first time for the financial year beginning on or after 1 January 2022 that had a material impact on the financial statements.

Notes to and forming part of the consolidated financial statements (continued)

for the six months ended 30 June 2022

2. SEGMENTAL REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The Group is split into four geographically distinct operating divisions; New Zealand, Australia, Hawaii and California. The chief operating decision makers, responsible for allocating resources and assessing performance of the operating segments, have been identified as the Group Chief Executive Officer (Group CEO) and Group Chief Financial Officer (Group CFO). The chief operating decision makers consider the performance of the business from a geographic perspective, being New Zealand, Australia, Hawaii (including Guam and Saipan) and California while the performance of the corporate support function is assessed separately.

The Group is therefore organised into four operating segments, depicting the four geographic regions the Group operates in and the corporate support function located in New Zealand. All segments operate quick service and takeaway restaurant concepts. All operating revenue is from external customers.

The Group evaluates performance and allocates resources to its operating segments on the basis of segment assets, segment revenues, EBITDA before general and administration expenses and operating profit before NZ IFRS 16. EBITDA refers to earnings before interest, taxation, depreciation and amortisation. Operating profit refers to earnings before interest and taxation.

The Group believes that these non-GAAP measures provide useful information to readers to assist in the understanding of the financial performance and position of the Group but that they should not be viewed in isolation, nor considered as a substitute for measures reported in accordance with NZ IFRS. The non-GAAP measures presented do not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similar financial information presented by other entities.

30 June 2022 $NZ000's	New Zealand	Australia	Hawaii	California	Corporate support function	Consolidated half year unaudited
Business segment						
Store sales revenue	251,816	133,473	115,139	84,462	–	584,890
Other revenue	25,798	331	880	–	–	27,009
Total operating revenue	**277,614**	**133,804**	**116,019**	**84,462**	**–**	**611,899**
EBITDA before general and administration expenses, NZ IFRS 16 and other items	**43,198**	**13,653**	**20,246**	**8,304**	**–**	**85,401**
General and administration expenses	(9,747)	(5,643)	(4,627)	(3,924)	(1,260)	(25,201)
	33,451	**8,010**	**15,619**	**4,380**	**(1,260)**	**60,200**
Other expenses	–	–	–	850	(3,500)	(2,650)
Depreciation	(9,766)	(5,943)	(3,797)	(2,030)	(12)	(21,548)
Amortisation	(980)	(649)	(662)	(2,760)	–	(5,051)
Operating profit before NZ IFRS 16	**22,705**	**1,418**	**11,160**	**440**	**(4,772)**	**30,951**
Adjustments for NZ IFRS 16	4,677	2,570	1,129	974	–	9,350
Operating profit	**27,382**	**3,988**	**12,289**	**1,414**	**(4,772)**	**40,301**
Current assets	31,947	15,326	17,905	15,087		80,265
Non-current assets	164,722	226,839	201,013	129,500	–	722,074
Non-current lease assets (excluding deferred tax)	188,061	157,725	93,685	185,291	–	624,762
Total assets	**384,730**	**399,890**	**312,603**	**329,878**	**–**	**1,427,101**

Notes to and forming part of the consolidated financial statements (continued)

for the six months ended 30 June 2022

30 June 2021 $NZ000's	New Zealand	Australia	Hawaii	California	Corporate support function	Consolidated half year unaudited
Business segment						
Store sales revenue	239,274	123,027	101,024	77,316	–	540,641
Other revenue	23,012	–	–	–	–	23,012
Total operating revenue	**262,286**	**123,027**	**101,024**	**77,316**	**–**	**563,653**
EBITDA before general and administration expenses, NZ IFRS 16 and other items	**44,926**	**16,322**	**15,950**	**12,746**	**–**	**89,944**
General and administration expenses	(7,024)	(4,995)	(3,915)	(3,585)	(2,760)	(22,279)
	37,902	**11,327**	**12,035**	**9,161**	**(2,760)**	**67,665**
Loan forgiveness	–	–	11,407	–	–	11,407
Other expenses	(10)	(358)	–	(686)	(804)	(1,858)
Depreciation	(8,309)	(4,922)	(3,484)	(2,055)	(8)	(18,778)
Amortisation	(900)	(489)	(620)	(2,450)	–	(4,459)
Operating profit before NZ IFRS 16	**28,683**	**5,558**	**19,338**	**3,970**	**(3,572)**	**53,977**
Adjustments for NZ IFRS 16	3,977	2,039	819	735	–	7,570
Operating profit	**32,660**	**7,597**	**20,157**	**4,705**	**(3,572)**	**61,547**
Current assets	28,582	11,639	12,779	7,654	–	60,654
Non-current assets	323,177	110,198	83,750	110,100	–	627,225
Non-current lease assets (excluding deferred tax)	178,499	144,617	69,905	156,093	–	549,114
Total assets	**530,258**	**266,454**	**166,434**	**273,847**	**–**	**1,236,993**

2.1 Reconciliation between operating profit and net profit after taxation excluding NZ IFRS 16

$NZ000's	30 June 2022 unaudited	30 June 2021 unaudited	31 December 2021 audited
Operating profit	**40,301**	61,547	102,077
Financing expenses	**(19,762)**	(17,601)	(36,284)
Net profit before taxation	**20,539**	43,946	65,793
Taxation expense	**(5,258)**	(9,440)	(13,912)
Net profit after taxation	**15,281**	34,506	51,881
Add back net financial impact of NZ IFRS 16	**6,668**	6,184	13,586
Less taxation expense of NZ IFRS 16	**(1,840)**	(1,724)	(3,985)
Net profit after taxation excluding NZ IFRS 16	**20,109**	38,966	61,482

3. PROFIT BEFORE TAXATION

$NZ000's	30 June 2022 unaudited	30 June 2021 unaudited	31 December 2021 audited
Profit before taxation			
The profit before taxation is calculated after charging/(crediting) the following items:			
Royalties	**34,297**	31,683	62,533
Lease expense	**3,592**	4,460	5,222
New Zealand Government wage subsidy	**–**	–	(7,165)
Loan forgiveness	**–**	(11,407)	(11,419)
Rent relief	**(165)**	–	(500)
Net gain on sale of stores	**–**	(945)	(945)
Gain on acquisition	**(850)**	–	–
Other expenses	**3,500**	1,858	5,164

Lease expenses

This relates to short term and variable lease costs included in the consolidated statement of comprehensive income not included in NZ IFRS 16 costs.

Notes to and forming part of the consolidated financial statements (continued)

for the six months ended 30 June 2022

New Zealand Government wage subsidy

During 2021 as part of the New Zealand Government's response to COVID-19 the Group received a Government wage subsidy of $7.2 million due to Alert Level 4 Lockdown initiated in August 2021. This amount is shown as a separate line item in the consolidated statement of comprehensive income due to its material nature. The amount received was also included in the consolidated statement of cash flows as part of receipts from Government grants.

Loan forgiveness

In June 2021 the Hawaii PPP loan was forgiven by the US Small Business Association. This $11.4 million is shown as a separate line item in the consolidated statement of comprehensive income due to its material nature. The loan forgiveness has been shown as a non-cash item in the cash flow reconciliation of profit after taxation with net cash from operating activities.

Rent relief

During 2022 the Group received rent relief of $0.2 million. (June 2021: nil). This has been included as a negative variable rent within the consolidated statement of comprehensive income. Contracts with abatement clauses total $0.1 million (June 2021: nil) whilst those without abatement clauses total $0.1 million. (June 2021: nil).

Net gain on sales of stores

During 2021 the Group sold five Pizza Hut stores to independent franchisees resulting in a net gain of $0.9 million.

Gain on acquisition

This is the result of the net assets included in an acquisition of a store in California being higher than the net consideration paid

Other expenses

$NZ000's	30 June 2022 unaudited	30 June 2021 unaudited	31 December 2021 audited
Non-recurring:			
Acquisition costs	**65**	650	715
ERP implementation	**3,435**	1,208	4,189
Unused franchise rights	**–**	–	260
Total other expenses	**3,500**	1,858	5,164

4. EARNINGS PER SHARE

	30 June 2022 unaudited	30 June 2021 unaudited	31 December 2021 audited
Basic and diluted earnings per share			
Profit after taxation attributable to the shareholder ($NZ000's)	**15,281**	34,506	51,881
Weighted average number of shares on issue (000's)	**124,759**	124,759	124,759
Basic and diluted earnings per share (cents)	**12.25**	27.66	41.58

Shares on issue

As at 30 June 2022, the total number of ordinary shares on issue was 124,758,523 (June 2021: 124,758,523).

5. PROPERTY, PLANT AND EQUIPMENT

Additions and disposals

During the six months ended 30 June 2022, the Group acquired assets with a total cost of $31.3 million (June 2021: $28.3 million) and disposed of assets with a total cost of $0.8 million (June 2021: $3.4 million).

6. RIGHT OF USE ASSETS

Additions and modifications

During the six months ended 30 June 2022, the Group had lease additions and modifications of $39.1 million (June 2021: $37.4 million).

Notes to and forming part of the consolidated financial statements (continued)

for the six months ended 30 June 2022

7. RELATED PARTY TRANSACTIONS

Transactions with key management or entities related to them

During the period the Group received internal audit services from Finaccess Servicios Corporativos SA DE CV a subsidiary of Grupo Finaccess S.A.P.I de C.V the ultimate parent company of the Group. Acquired services totalling $30,000 have been included in the consolidated statement of comprehensive income of which $30,000 remains owing at balance date. These transactions were at arm's length and performed on normal commercial terms.

Apart from directors' fees and key management remuneration, there were no other related party transactions with key management or any Directors or entities associated with them.

8. LAND HELD FOR DEVELOPMENT

There was $7.1 million at June 2022 relating to land that has been purchased for use in developing new stores in the future. Included in this balance is $2.1 million of land acquired prior to 30 June 2022 with final settlement and formal title transferred on 1 July 2022. Land held for development is measured at cost.

9. NEW STORES DEVELOPED FOR SALE

This relates to new Pizza Hut stores developed for sale in New Zealand which are being actively marketed for sale and were expected to be sold within 12 months. Included in June 2021 held for sale – assets for stores developed for sale of $1.1 million was $0.7 million of lease liabilities and $0.7 million of right of use assets associated with these stores.

10. CAPITAL COMMITMENTS

The Group has capital commitments totalling $26.5 million (June 2021: $19.2 million) which are not provided for in these financial statements.

11. CONTINGENT LIABILITIES

There are no contingent liabilities that the directors consider will have a significant impact on the financial position of the Group (June 2021: nil).

12. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Exposure to credit, interest rate and foreign currency risks arises in the normal course of the Group's business. Derivative financial instruments may be used to hedge exposure to fluctuations in foreign currency exchange rates and interest rates. There have been no changes in the risk management policies or nature of the derivative financial instruments since year end. Consistent with the prior year, the derivatives have been determined to be within level 2 (for the purposes of NZ IFRS 13 Fair Value Measurement) of the fair value hierarchy as all significant inputs required to ascertain the fair values are observable. There were also no changes in valuation techniques during the period.

13. DEED OF CROSS GUARANTEE

Pursuant to the Australian Securities and Investment Commission (ASIC) Class Order 98/1418, the wholly owned subsidiary, QSR Pty Limited (QSR), is relieved from the Corporations Act 2001 requirement for the preparation, audit and lodgement of financial reports.

It is a condition of that class order that Restaurant Brands New Zealand Limited (RBNZ) and QSR enter into a Deed of Cross Guarantee (Deed). On 9 February 2017 a Deed was executed between RBNZ, QSR, Restaurant Brands Australia Pty Limited and Restaurant Brands Australia Holdings Pty Limited under which each company guarantees the debts of the others.

Notes to and forming part of the consolidated financial statements (continued)

for the six months ended 30 June 2022

14. IMPAIRMENT CONSIDERATIONS

The financial performance of the Group for the six months ended 30 June 2022 was lower than the last half year's reported results. The Group continued to face challenges from COVID-19 resulting in staff shortages impacting operations across all divisions and forcing many stores to reduce operating hours during the period. In addition, the Group also faced cost inflation pressures across all markets which was partially mitigated by implementing price increases where possible.

The Group has considered these factors in reviewing its non-financial assets for indicators of impairment at 30 June 2022. In respect of goodwill, an impairment indicator was identified for the California cash-generating unit (CGU). A detailed impairment assessment was performed to determine the recoverable amount of this CGU using a value in use methodology, which resulted in headroom versus the carrying value of the CGU's assets, however this has significantly reduced since the prior year. Management concluded that no impairment is required, however an increase in the weighted average post-tax cost of capital of 8% to 8.1% would cause the carrying amount to equal its recoverable amount.

A detailed review of property, plant and equipment and ROU assets of stores at period end resulted in a small number of stores with impairment indicators, however based on further analysis, no impairment is required.

15. SUBSEQUENT EVENTS

There are no other subsequent events that would have a material effect on these financial statements.

Independent auditor's review report

To the shareholders of Restaurant Brands New Zealand Limited

REPORT ON THE INTERIM FINANCIAL STATEMENTS

Our conclusion

We have reviewed the consolidated financial statements of Restaurant Brands New Zealand Limited (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 30 June 2022, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period ended on that date, and significant accounting policies and other explanatory information.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 30 June 2022, and its financial performance and cash flows for the six month period then ended, in accordance with International Accounting Standard *34 Interim Financial Reporting* (IAS 34) and New Zealand Equivalent to International Accounting Standard 34 *Interim Financial Reporting* (NZ IAS 34).

Basis for conclusion

We conducted our review in accordance with the New Zealand Standard on Review Engagements 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410 (Revised)). Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial statements* section of our report.

We are independent of the Group in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual financial statements, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements. Our firm carries out other services for the Group in the areas of specified procedures on landlord certificates and review of the Yum! Advertising co-operative report. In addition, certain partners and employees of our firm may deal with the Group on normal terms within the ordinary course of trading activities of the Group. These relationships and provision of other services has not impaired our independence as auditor of the Group.

Auditor’s responsibilities for the review of the financial statements

Our responsibility is to express a conclusion on the consolidated financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the consolidated financial statements, taken as a whole, are not prepared in all material respects, in accordance with IAS 34 and NZ IAS 34.

A review of consolidated financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing and International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on these consolidated financial statements.

Who we report to

This report is made solely to the Company’s shareholders, as a body. Our review work has been undertaken so that we might state those matters which we are required to state to them in our review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholders, as a body, for our review procedures, for this report, or for the conclusion we have formed.

The engagement partner on the review resulting in this independent auditor’s review report is Philippa (Pip) Cameron.

For and on behalf of:

PricewaterhouseCoopers

Chartered Accountants
29 August 2022 Auckland

Corporate directory

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Financial calendar

Financial year end

31 December 2022

Annual profit announcement

February 2023

RESTAURANTBRANDS.CO.NZ