

---

---

# ANNUAL SHAREHOLDERS' MEETING 2023

---

18 MAY 2023

[WWW.RESTAURANTBRANDS.CO.NZ](http://WWW.RESTAURANTBRANDS.CO.NZ)

---

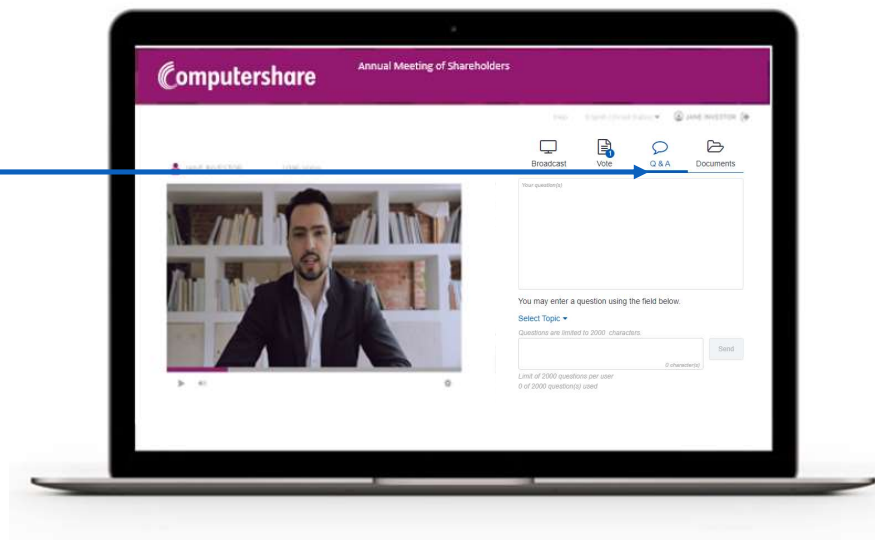
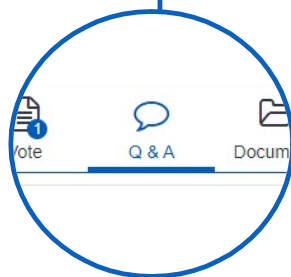


# How to Participate in Virtual/Hybrid Meetings (Q&A)

## Shareholder & Proxyholder Q&A Participation

**Written Questions:** Questions may be submitted ahead of the meeting. If you have a question to submit during the live meeting, please select the Q&A tab on the right half of your screen at anytime. Type your question into the field and press submit. Your question will be immediately submitted.

**Help:** The Q&A tab can also be used for immediate help. If you need assistance, please submit your query in the same manner as typing a question and a Computershare representative will respond to you directly.



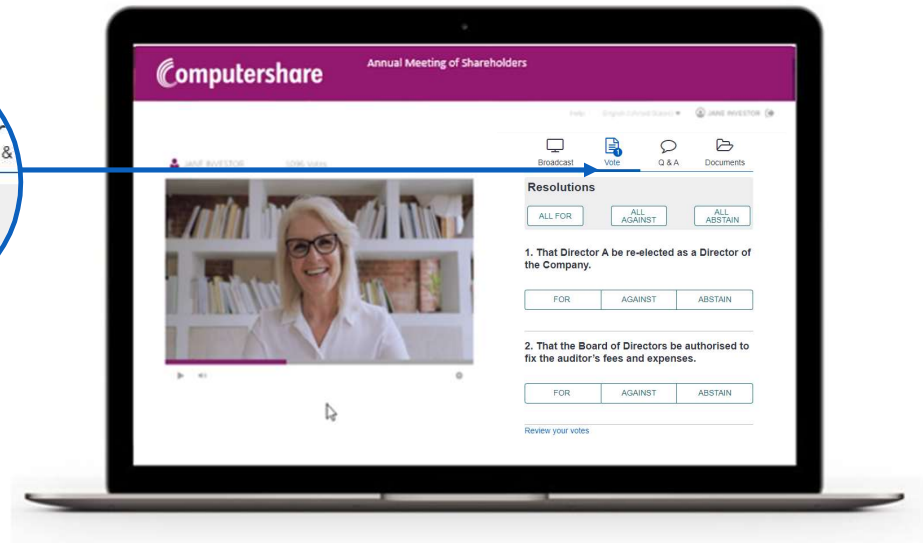
# How to Participate in Virtual/Hybrid Meetings (Voting)

## Shareholder & Proxyholder Voting

Once the voting has been opened, the resolutions and voting options will allow voting.

To vote, simply click on the Vote tab, and select your voting direction from the options shown on the screen. You can vote for all resolutions at once or by each resolution.

Your vote has been cast when the tick appears. To change your vote, select 'Change Your Vote'.



---

---

# ANNUAL SHAREHOLDERS' MEETING 2023

---

18 MAY 2023

[WWW.RESTAURANTBRANDS.CO.NZ](http://WWW.RESTAURANTBRANDS.CO.NZ)

---

*Restaurant*

BRANDS



---

---

**CHAIRMAN'S ADDRESS**

---

---

**JOSÉ PARÉS**

**CHAIRMAN**

---

---

# The year at a glance

YEAR ENDED  
31 DECEMBER 2022

**Restaurant**  
BRANDS

**57.9**  
MILLION HAPPY CUSTOMERS

## FINANCIAL RESULTS

**\$1.2b** SALES

**\$180.2m** STORE EBITDA

**\$32.1m** NPAT

**16 cps** DIVIDEND

**488** STORES

**376** OWNED

**112** FRANCHISED

**11,989** EMPLOYEES

# Profit reconciliation

EBITDA up but “one-off” government grants distort prior year comparisons

\$NZm	FY 21	FY 22	Change B/(W)
Brand EBITDA*	165	<b>180</b>	15
G&A expenses	44	<b>55</b>	(11)
	<b>121</b>	<b>125</b>	4
Government grants	(7)	-	(7)
PPP loan forgiven	(11)	-	(11)
Other expenses	4	3	1
Depreciation & amortisation	49	55	(6)
<b>Operating profit pre IFRS 16</b>	<b>86</b>	<b>67</b>	<b>(19)</b>
IFRS 16 adjustment	16	19	3
<b>Operating profit</b>	<b>102</b>	<b>86</b>	<b>(16)</b>
Financing expenses	36	44	(8)
<b>Net profit before tax</b>	<b>66</b>	<b>42</b>	<b>(24)</b>
Taxation	14	10	4
<b>Net profit after tax</b>	<b>52</b>	<b>32</b>	<b>(20)</b>

**Note:**

\* - Pre G&A, NZ IFRS 16 and other (income)/expenses

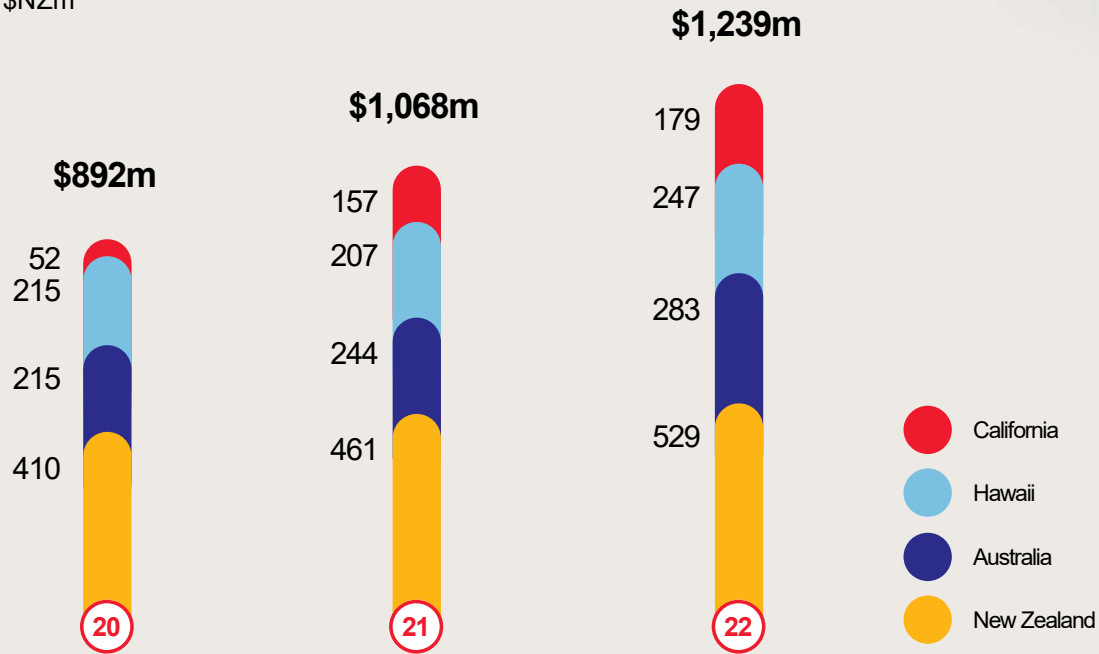


# Sales

Sales lift on rolling over prior year COVID-19 store closures and new store builds.

## DIVISIONAL SALES

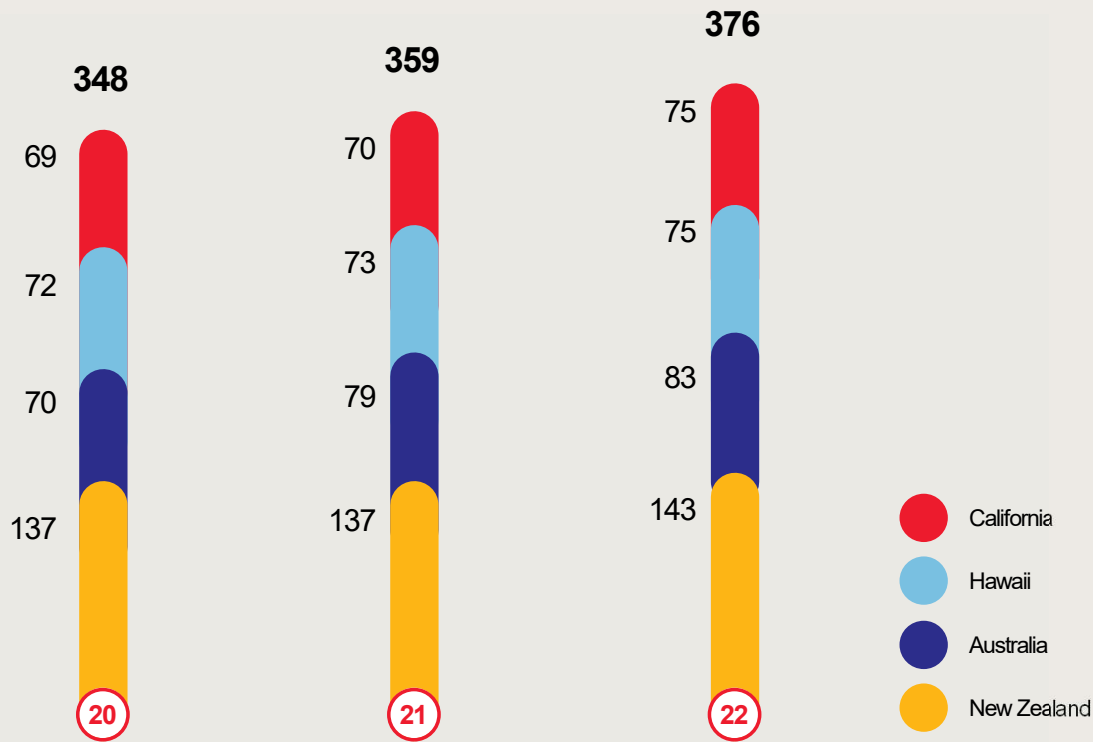
\$NZm





# Company owned store numbers

As at December 2022



# Cash Flows

Operating cash flows down on prior year with softer margins. Investing cash flows higher on catch up of prior year's COVID-19 related delays.

\$NZm	FY 20	FY 21	FY 22
Operating cashflow (NZ IFRS 16 adjusted)	90*	102*	95*
Investing cashflow (adjusted)	(58)**	(82)***	(92)
Free cashflow	32	20	3

**Note:**

\* Adjusted for lease principal payments of \$27.0m (FY21 \$24.5m, FY20 \$21.2m) classified as financing activities under NZ IFRS 16

\*\* Adjusted for \$119.2m (\$US80.7m) 69 store California acquisition in FY20

\*\*\*Adjusted for \$27.5m (\$A23.3m) 5 store Australia acquisition in FY21



# Borrowings

Net borrowings increase on increased investment in stores and \$40m FY21 dividend paid. Bank facilities renewed for 4-5 year tenors.

## NET DEBT

\$NZm

201



202



251



375



## Ratios

Net Debt: EBITDA\*

1.9:1

1.6:1

2.0:1

Gearing (ND:ND+E)

47%

41%

46%

Total Facilities  
(4-5 years)



\* EBITDA excluding right of use asset lease costs (pre-NZ IFRS 16)

# Ability & experience



## José Parés

Chairman and Non-Executive Director

**TERM OF OFFICE**  
Appointed Director 1 April 2019 and appointed Chairman 10 July 2019. Last re-elected 2022 Annual Meeting.

**BOARD COMMITTEES**  
Member of the Audit and Risk Committee.



## Emilio Fullaondo

Independent Non-Executive Director

**TERM OF OFFICE**  
Appointed Director 1 April 2019. Last re-elected 2022 Annual Meeting.

**BOARD COMMITTEES**  
Chairman of the Audit and Risk Committee, Member of the Remuneration and Nominations Committee and the Health, Safety and Sustainability Committee.



## Carlos Fernández

Non-Executive Director

**TERM OF OFFICE**  
Appointed Director 10 July 2019. Last re-elected 2022 Annual Meeting.



## Luis Miguel Álvarez

Non-Executive Director

**TERM OF OFFICE**  
Appointed Director 10 July 2019. Last re-elected 2022 Annual Meeting.

**BOARD COMMITTEES**  
Member of the Remuneration and Nominations Committee.



## Stephen Ward

Independent Non-Executive Director

**TERM OF OFFICE**  
Appointed Director 10 July 2019. Last re-elected 2022 Annual Meeting.

**BOARD COMMITTEES**  
Chairman of the Remuneration and Nominations Committee, Member of the Audit and Risk Committee and the Health, Safety and Sustainability Committee.



## Huei Min (Lyn) Lim

(MNZM)  
Independent Non-Executive Director

**TERM OF OFFICE**  
Appointed Director 10 July 2019. Last re-elected 2022 Annual Meeting.

**BOARD COMMITTEES**  
Chairman of the Health, Safety and Sustainability Committee, Member of the Audit and Risk Committee and Remuneration and Nominations Committee.



## Maria Elena (Malena) Pato-Castel

Independent Non-Executive Director

**TERM OF OFFICE**  
Appointed Director 1 April 2021. Last re-elected 2021 Annual Meeting.

# Management change

A smooth change of senior management sees a confirmation of longer-term growth strategies that continue to deliver enhanced shareholder value.



Julio Valdés  
*Incoming Group CFO*

Grant Ellis  
*Outgoing Group CFO*

Russel Creedy  
*Former Group CEO*

Arif Khan  
*Acting Group CEO*



---

---

CEO'S ADDRESS

---

---

**ARIF KHAN**

ACTING GROUP CEO

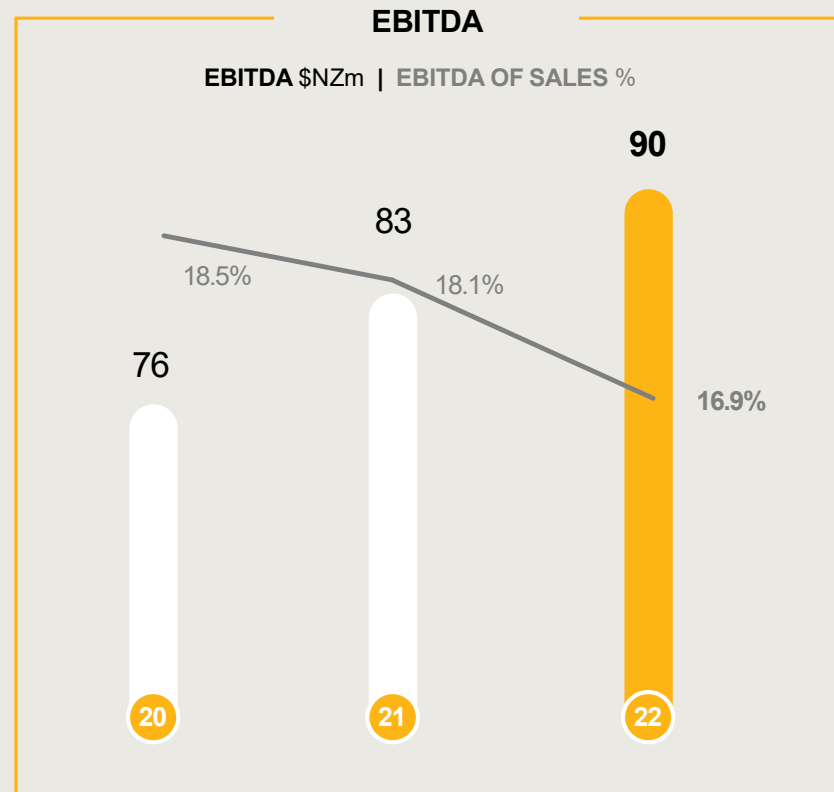
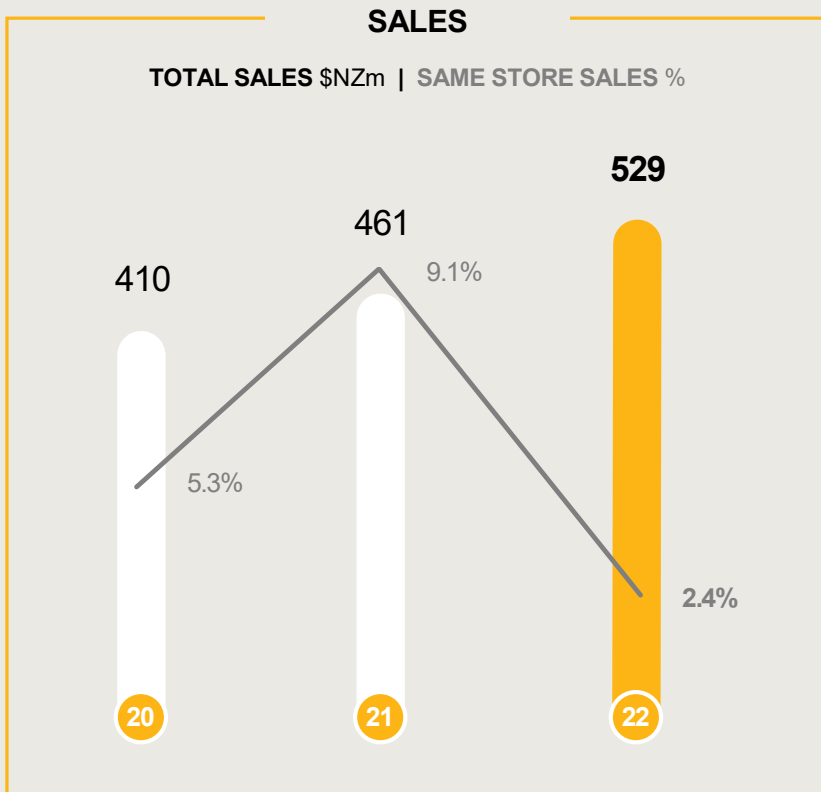
---

---



## NEW ZEALAND OPERATIONS

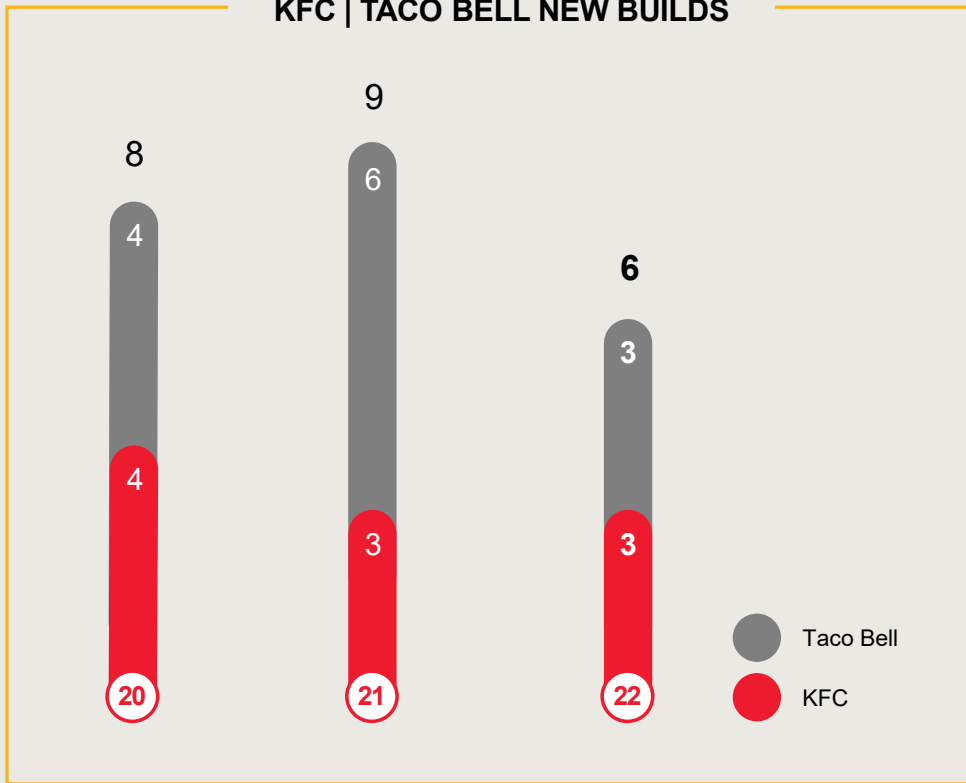
NZ sales grow with lifting of Covid-19 restrictions and new stores.  
Margins impacted by inflation and higher mix of Taco Bell stores.



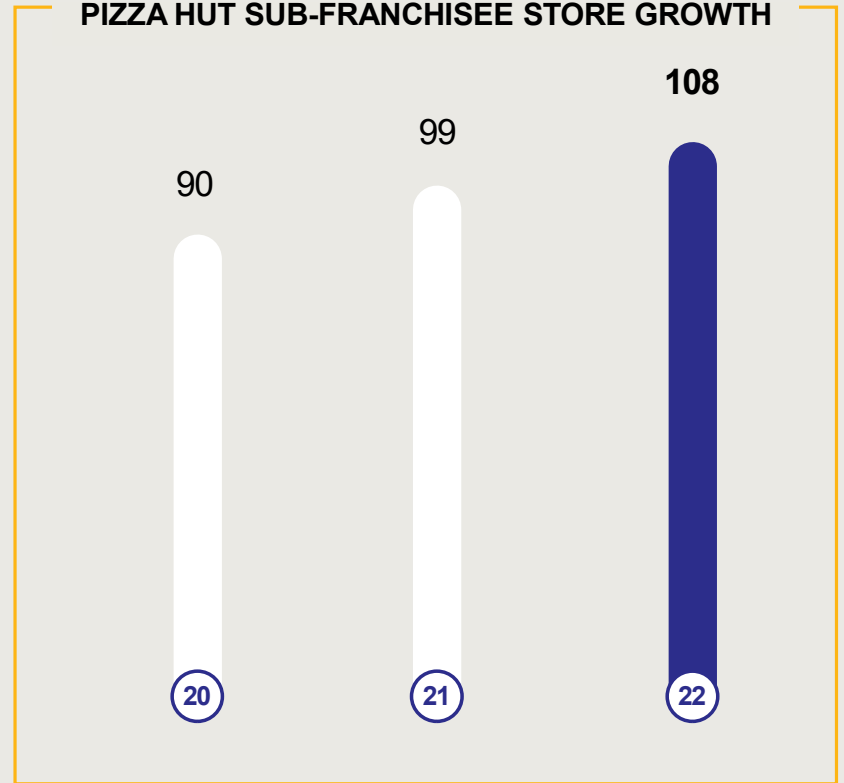


# NEW ZEALAND STORE NUMBERS

## KFC | TACO BELL NEW BUILDS

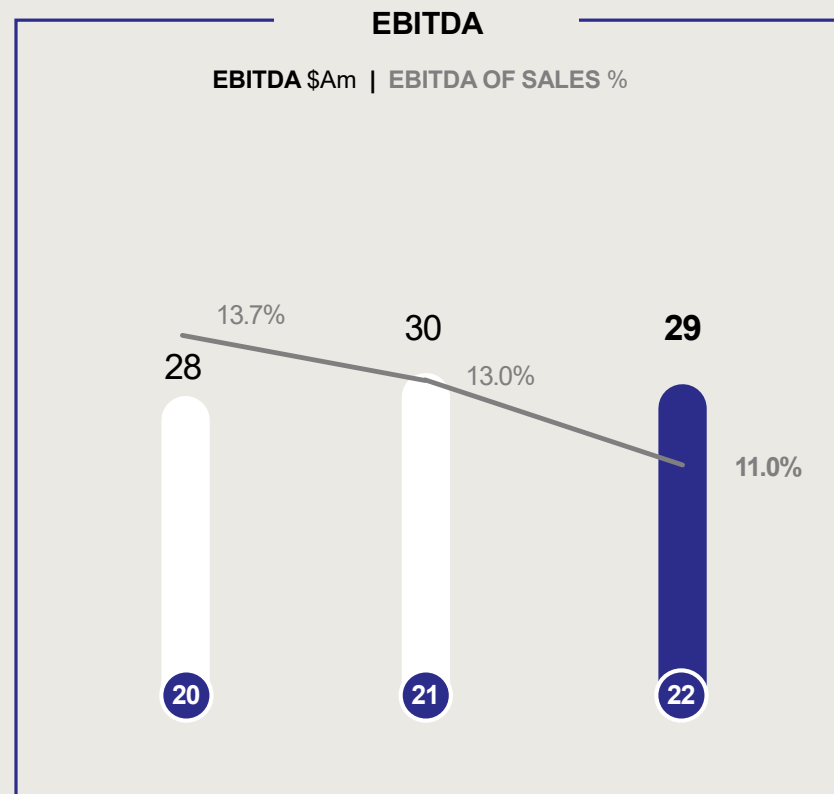
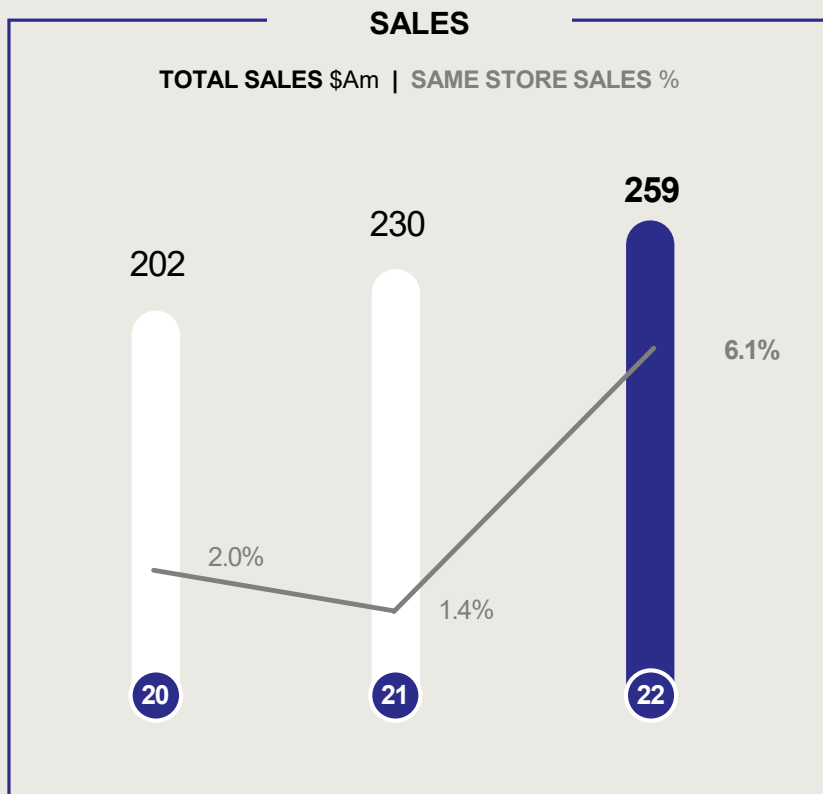


## PIZZA HUT SUB-FRANCHISEE STORE GROWTH



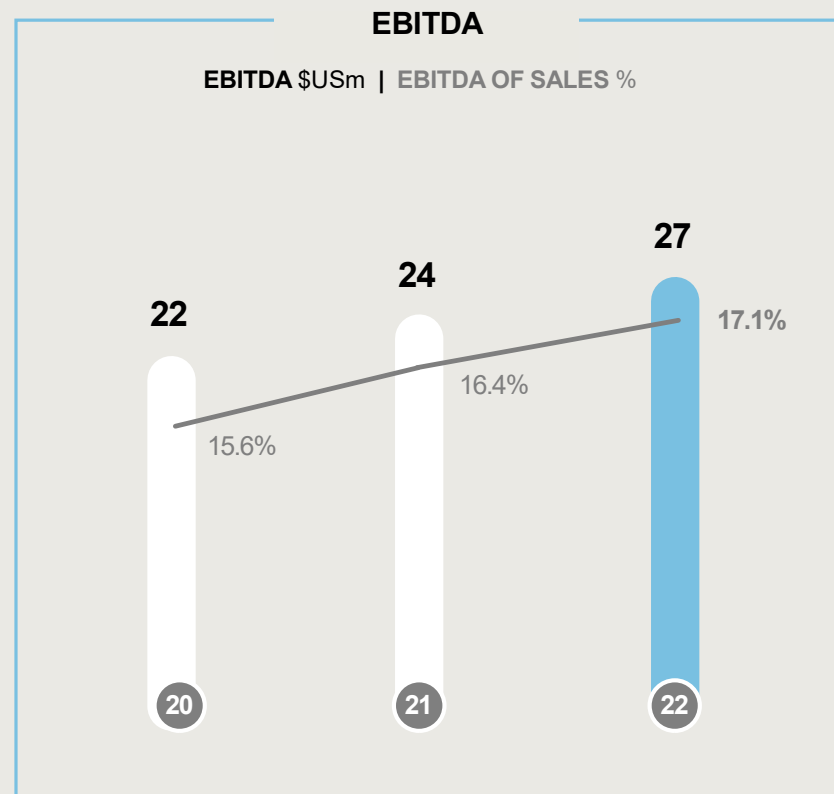
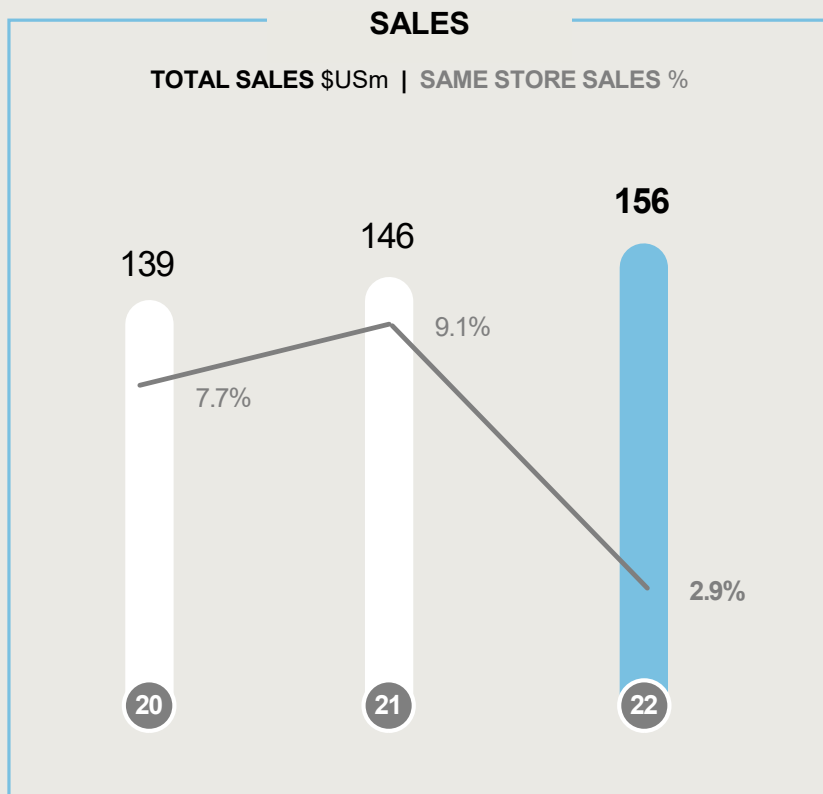
## AUSTRALIA OPERATIONS

Australian sales increase as mall and CBD stores recover strongly from COVID-19 downturn. Margins under pressure from inflation.



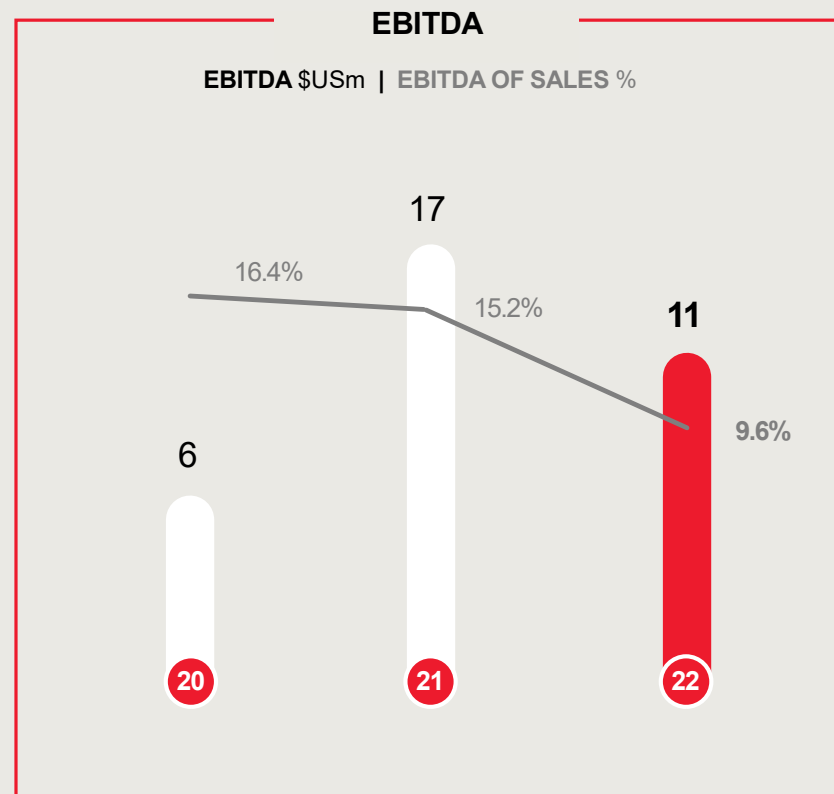
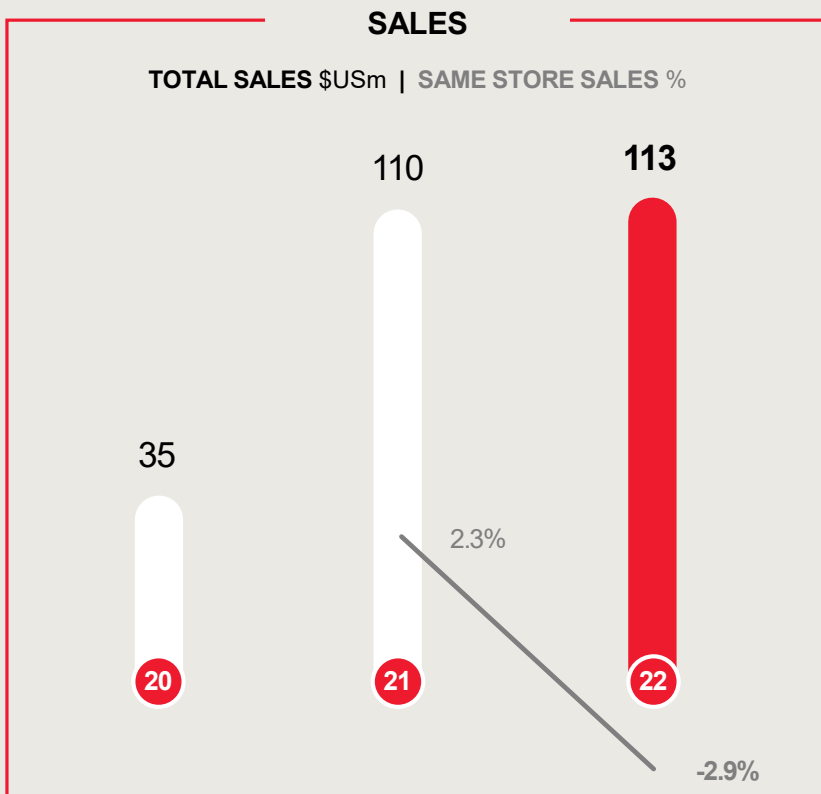
## HAWAII OPERATIONS

Results boosted by post-COVID-19 recovery of sales and margin.



## CALIFORNIA OPERATIONS

California business struggled to match strong prior year performance in a high inflation environment.

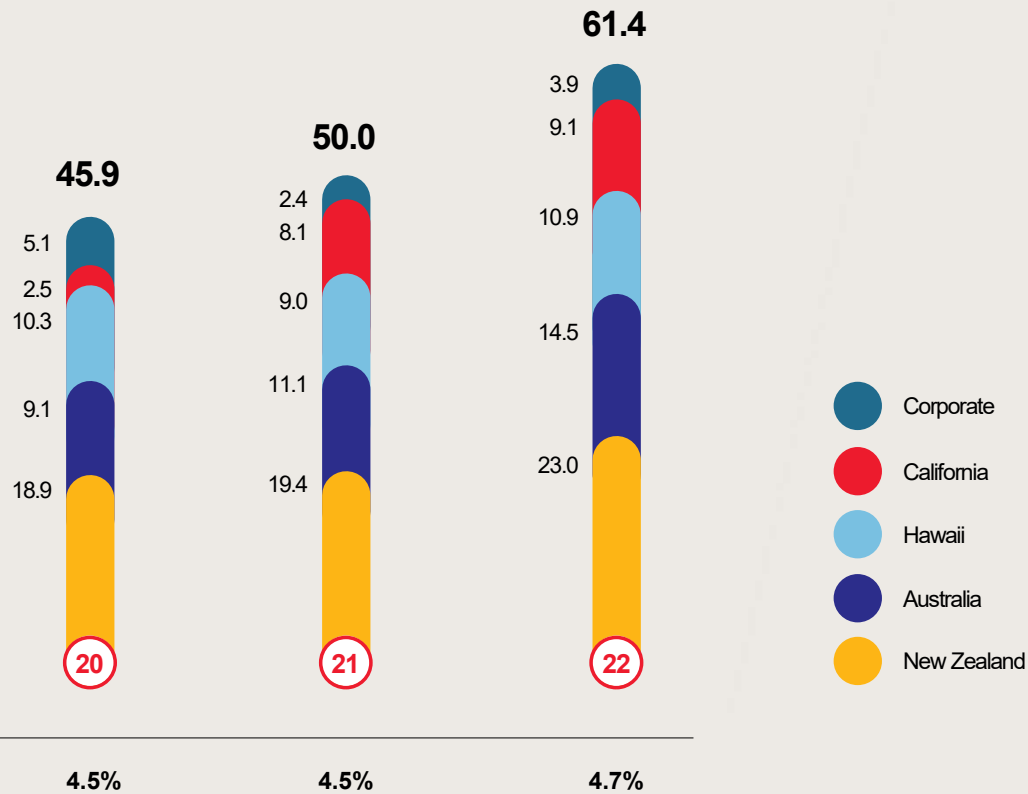


Note: FY 20 = 4 months to 31 December 2020

# G&A costs

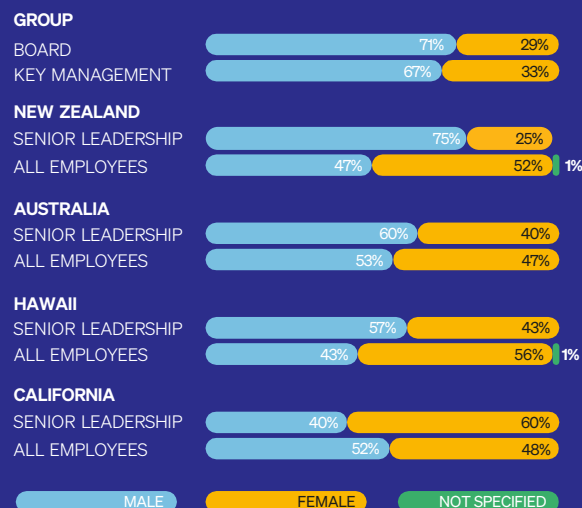
Stable at 4.7% of revenues, but up in \$ terms with inflationary pressures.

G&A  
\$NZm



# Environmental, Social and Governance

## Gender diversity



## Supporting our communities



**\$102,000**  
KFC For Good Foundation



**\$97,105**  
St John - Pizza Hut



**\$62,517\***  
Surf Lifesaving NZ - KFC



**\$US45,733**  
Taco Bell Foundation

\*The total of this year's fundraising was disappointingly impacted by the spread of the COVID Omicron variant in the community hampering fundraising initiatives planned for January-March 2022.

## Lost Time Injuries (LTIs)

(per million hours worked)

	2019	2020	2021	2022
NEW ZEALAND	6.3	5.2	10.4	▼ 9.1
AUSTRALIA	10.0	11.9	17.1	▼ 9.2
HAWAII	6.2	2.5	4.1	▼ 3.6
CALIFORNIA	n/a	5.2	9.1	▲ 9.7

## Environmental consciousness

MWH OF ELECTRICITY USED PER \$MILLION SALES  
(local currency \$)

	2021	2022
NEW ZEALAND	82	75
AUSTRALIA	94	91
HAWAII	82	83
CALIFORNIA	136	138

## % OF RESTAURANTS WITH LED LIGHTING

	2021	2022
NEW ZEALAND	47%	90%
AUSTRALIA	45%	60%
HAWAII	47%	52%
CALIFORNIA	33%	44%

## PLASTIC REDUCTION

% phased out plastic bags, straws and lids in 2022

NEW ZEALAND	100%
AUSTRALIA	100%
HAWAII	87%
CALIFORNIA	n/a



**Gino Gigliotti**  
GM Property and  
Development,  
Australia



**Emma Jones**  
GM People  
and Performance,  
Australia



**Cynthia Julian**  
Director of Operations  
Pizza Hut, Hawaii



**Nancy Franco**  
Director of Operations  
KFC, California



**Shahida Khan**  
Operations Director KFC,  
New Zealand



**Clark Wilson**  
GM Marketing,  
New Zealand



**Leah Allen**  
Marketing Director,  
Hawaii



**Kenny Thein**  
Chief Information Officer,  
New Zealand



**Elyse Hooper**  
Finance Manager,  
New Zealand

# Q1 FY23 Update

Increase/(Decrease) vs Q1 2022

	TOTAL	NEW ZEALAND	AUSTRALIA	HAWAII	CALIFORNIA
Q1 Sales Total Growth	<b>12.0%</b>	<b>9.2%</b>	<b>15.5%</b>	<b>9.3%</b>	<b>0.3%</b>
Q1 Same Store Sales Growth		<b>7.4%</b>	<b>11.2%</b>	<b>1.0%</b>	<b>(4.0%)</b>

# \$309m

TOTAL Q1  
SALES







---

ANNUAL SHAREHOLDERS' MEETING 2023

---

# SHAREHOLDER QUESTIONS

---



## Shareholder Resolution

**Resolution** That the Board of Directors be authorised to fix the auditor's remuneration for the ensuing year.

*Directors recommend that shareholders vote to approve the resolution.*

**RESOLUTION**

**That the Board of Directors be authorised to fix the auditor’s remuneration for the ensuing year**

Pursuant to section 207T of the Companies Act 1993, PricewaterhouseCoopers is automatically re-appointed at the Company’s Annual Meeting as auditors of the Company. This resolution authorises the Board of Directors to fix the remuneration of the auditors, PricewaterhouseCoopers.

Proxy Count	
For	106,359,675
Against	34,537
Discretionary	175,175
<b>Total</b>	<b>106,569,387</b>
<b>Abstain</b>	<b>5,196</b>

---

---

ANNUAL SHAREHOLDERS' MEETING 2023

---

---

THANK YOU

---

---

18 MAY 2023

[WWW.RESTAURANTBRANDS.CO.NZ](http://WWW.RESTAURANTBRANDS.CO.NZ)

---

---

*Restaurant*

BRANDS